Green Social Housing at Scale:
Lessons from Vienna’s social housing on project finance, housing immigrants, and climate-friendly urbanism

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Professor Cohen:

Welcome. We’ve just been listening to Nas’s “Memory Lane,” which is a track about Queensbridge, the biggest public housing complex in New York City. And it was also the site of a famous rally by Bernie Sanders and Rep. Alexandria Ocasio-Cortez a couple years ago. But Nas X is one of the many, many, many artists that come out of New York City’s public housing.

So, we are thrilled to host you today for our event – Green Social Housing at Scale. The basic premise of this event is that if we want everyone in the United States to have healthy carbon-free homes, which we absolutely need, then we are also going to need to build green social housing at scale.

And if we’re thinking about a massive program of green social housing construction in the United States, then we need to think about Vienna, the model of Vienna. Vienna is the global capital of social housing. It’s the city frequently ranked as the best in the world to live in. It has extremely low rents, even in the private sector, very low carbon emissions, and extraordinary architectural quality in its social housing and now extremely high standards for sustainability in its social housing.

So, let me tell you a little bit about our event today and the panelists that we’re going to hear from. We’ll start with a presentation, about 25 to 30 minutes, on the Vienna social housing model talking about issues like public finance, housing immigrants, and, of course, the question of sustainability. And then we’ll hear responses from two housing leaders. And then we’ll get into an audience Q&A.

If you have anything you want to talk about during this conversation, please go into the chat. And feel free to chat there. Any questions that you have for
the panelists, please drop those into the Q&A function at the bottom of your screen.

I’m Daniel Aldana Cohen. I’m an assistant professor of sociology at the University of Pennsylvania where I co-direct the Socio-Spacial Climate Collaborative. And it is the Socio-Spacial Climate Collaborative or (SC)^2 and Penn’s Population Studies Center who are putting on this event.

So, let me quickly introduce today’s panelists that we’re so lucky to have joining us. So, first we have Wolfgang Förster. He directs PUSH Consulting, a Vienna-based private consulting company in the areas of urban planning and housing, which advises policymakers and the public, not-for-profit, and private developers. Now, Förster is one of the great world experts on Vienna’s social housing model. He is the former Deputy Director of Vienna Housing Found, the former head of Vienna State Housing Research Development.

Wolfgang helped introduce sustainability as a pillar of social housing development into Vienna. He’s organized the global exhibit on Vienna’s social housing model. He’s the co-editor of the “Vienna Model 2: Housing for the City of the 21st Century” from JOVIS in 2018, which is kind of a compendium of this exhibit. And Wolfgang is the editor of “2000 Years of Housing in Vienna: From the Celtic Oppidum to the Residential Area of the Future.”

Now Wolfgang, unfortunately, some years ago suffered a stroke and is not able to speak. So, Werner Taibon will speak on Wolfgang’s behalf. Werner’s been a public broadcaster and is now an assistant and works with Wolfgang at PUSH Consulting. And Wolfgang will talk to Werner and will pass on notes as well. And Werner will be presenting.

After we hear from Wolfgang and Werner, we’ll hear from Senator Nikil Saval. Senator Saval is a father, a writer, and an organizer. He is the State Senator for the 1st District in Pennsylvania, which is basically the big expanded central region of Philadelphia. He’s my State Senator. He’s the chief democrat on the State Senate’s Housing Committee. He’s the first Asian American in the Pennsylvania Senate and the first South Asian in the
Pennsylvania legislature. He’s deeply committed to solidarity and justice for working people.

He is also an architecture critic and author. He wrote a book about the cubicle and very importantly for our purposes, he campaigned as a Homes Guarantee Candidate, which meant that he pledged not to take money from developers, to fight for social housing, to fight for nonmarket housing, to fight for rent control. And he is leading a new conversation in Philadelphia about the role of social housing as a transformative solution for the city and indeed for the country.

And after that, we’ll hear from Ilona Duverge. She’s a 23-year-old organizer who worked as a campaign staffer for Bronx congresswoman Alexandria Ocasio-Cortez and State Senator Alessandra Biaggi. Ilona cofounded Movement School, which runs training programs for activists and organizers to run progressive grass roots campaigns and build political power. She’s a campaign advisor to Justice Democrats working with candidates like Kara Eastman and Jamaal Bowman.

In working with Movement School, Ilona has led to organizing on the ground in New York City public housing for the Green New Deal for Public Housing Act. Ilona has probably done more work than anyone to put the idea of green transformations of United States’ existing public housing onto the political map and is working every day with public housing residents and other organizers and politicians to make that dream a reality.

So, I could not be happier to be here with this illustrious group today, and we will kick it off then with Wolfgang and Werner. So, I’ll turn it over to you to share your screen and present.

**Wolfgang Förster:**

Thank you for coming out today. My name is Werner, and I’m giving this presentation together with Wolfgang. So, this is Vienna, which attracts millions of tourists every year. It’s a city, which has developed a unique social housing policy. And it is this, which we want to share with you today.
We shall first focus on the specific situation of the Austria capital and then try to draw more general conclusions for sustainable housing policies.

Some general figures on Vienna – in the global perspective, the city itself is medium-sized. But we have to keep in mind its position in Central Europe and its role as a center of a densely populated transnational region. Together with Bratislava, the Slavic capital, which is only 60 kilometers away, it forms a twin-city of more than 3.2 million and with the European integration, the common labor market and also a common housing market is emerging.

On a broader scale, Vienna is the center of European Central region defined as an area where from each point Vienna can be reached within less than one hour by car or by train. And this region is indeed unique in Europe as it covers areas of four national states – Austria with its eastern states plus the western parts of Hungary and Slovakia plus Moravia in the Czech Republic. Centrope has more than 6 million inhabitants, and it is increasingly becoming one market.

This position in the center of the continent, its culture, and its strong economy make Vienna attractive both to tourists and to immigrants. But there are additional co-factors. Therefore, Vienna has been growing steadily over the last decades in just a few factors.

The prognoses show that the number of permanent residents will grow from presently 1.8 million to 2 million rather fast or 2 million again, as it had 2 million inhabitants already before the First World War. The younger the forecast, the sooner this number will be achieved. Demographics show a complex picture. Both the high age and the youngest groups are growing fast. As a consequence, Vienna is now the Austrian state with the youngest population whereas it had been the oldest for many, many decades.

Still, a large number of senior residents present a big challenge for housing policies. Politics have accepted this. As a former mayor said, Vienna has always been and will remain an immigration city. So, the average annual population increase since 2000 with plus 20,000 and it became faster from 2015, plus 40,000, and in 2016, plus 45,000.
And we had, of course, the refugee movement in 2015. Vienna received temporarily 250,000 persons – permanently 80,000. And accepted asylum seekers have access to minimum subsistence. It means €880 a month for singles and subsidized housing as well.

Now we’re showing just the population changes. Growing population by immigration from abroad, through positive birth records, by immigration from other Austrian regions, and negatively by suburbanization. Now a few examples of recent subsidized housing developments to give you just an idea of the variety of architecture, which can be achieved in such a program.

So, concerning the current housing stock, note that 77% of all apartments are rental, a percentage similar to many European big cities like Berlin or Paris. This is important to stress as it means that practically all strata of the population live in rental housing, and rent is not stigmatized. However, in Vienna, most of the rental apartments are in the public sector either as council housing, which you would probably classify as social housing or in the non-profit sector, which would correspond to affordable housing in the US.

Let us look at the age of the housing stock. In terms of the building stock, Vienna is the oldest capital in Europe. But the screen needs further explanation. Those apartments built before 1919 are from the private rental stock whereas most of those built after World War I are public. In other words, since World War I, almost no private housing has been built.

Vienna housing policies are currently based on three pillars. So, council housing – about 220,000 apartments owned and administered by the city. Subsidized housing renewal and retrofitting, so-called soft urban renewal to prevent gentrification with 12,900 apartments renewed annually and no rent increase. Subsidized new construction, affordable housing, 7000 to 13,000 new apartments annually.

As the city wants the free market to keep out of housing matters, it has developed a comprehensive system of policies. Subsidized housing is based on the nonprofit principle. Profits must be reinvested into housing. Subsidies are given in the form of low interest, long-term public loans. As an average, one-third of the total construction costs are covered by the subsidies.
Subsidies are connected to numerous quality criteria, and subsidies and land are provided to winners of developers’ competitions with an interdisciplinary jury.

The developers’ competitions were first introduced in the 1990s. As the name suggests, it’s the developers who compete, but they must present their project with their whole team of experts, such as architects, landscape planners, ecologist, economists, sociologists, etcetera. The jury – equally composed of various experts has to judge every project along a set of four criteria, the so-called four-pillar model. Here are the four criteria.

Here are the four pillars in detail. As you see, the Vienna model is also based on the introduction of competition. A typical market instrument into a public housing system in order to enhance the qualities and to reduce housing costs.

So, let’s show you another example of housing, the so-called Kabelwerk, literally cable plant, as it was built in the place of a former cable plant about 15 years ago. It includes roughly 1000 apartments, and it was planned in a participatory process together with the future residents. As you can see, architecture is quite diverse, and so is the social mix ranging from middle-class homeowners to social housing tenants, students, and refugees.

Another remarkable housing project is Gasometer City – four 19th century guesthouses were converted to mixed-use estates with 600 apartments both with a social rental and home ownership sector, student housing, a shopping mall, offices, car parks, and a movie center. Architects include French architect Jean Nouvel and the Austrian architect Coop Himmelb(l)au. This is from the French architect Jean Nouvel.

In the case of the so-called coffin factory. Yeah, it was indeed Europe’s largest coffin factory. They used public subsidies to build a cooperative housing estate, which has in the meanwhile served as a model for many other subsequent projects called Baugruppen, literally construction groups set up by house seekers from various spectrums themselves applying for public subsidies. The city supports them, and they usually offer an added value to the neighborhood through common facilities and social, cultural activities.
As an average until 2020, some 7000 apartments were built in the subsidized sector each year compared to some 1500 in the free market sector. To compensate for the lower tax revenues after the financial crisis, the city introduced an additional financing instrument called housing initiative.

The housing research unit supplies local politicians with such prognoses every year, and we are glad to say that this particular estimate written in 2016 proved to be right in 2020. In other word, public housing production in this period was able to cope with the demand.

So, what are the advantages of such a model? So, it’s active planning of housing program as a state. Vienna is a state as well. Definition and control of quantities and qualities. Social component – housing is a tool to achieve social inclusion. Strong public influence on the real estate market. Strong influence on the construction sector and the labor market. Balance of market mechanisms and public control. Priority to brownfield development in order to avoid loss of green areas.

The main financing principles for affordable rental housing – note that there are priority of object-side subsidies or subject-side housing allowances. Priority for nonprofit developers who must reinvest all profits into new housing or repair. No indirect subsidies via tax deductions – these would favor high-income groups. Priority of rental housing over home ownership (step from owning to a sharing society) – similar or comparing in-house car sharing included in the rent. Social mixing in all housing estates through different types of tenure to avoid stigmatized social ghettos.

Note that there are no examples of indirect subsidization. No tax deductions or similar instruments, as these favor households with higher incomes. Also, they are more expensive for the state. As a result, state expenditure for housing is significantly lower often than in most other countries. Total expenditure is about 1% of the GDP.

So, total state expenditure is about 1% of the GDP as compared to 1.5% in Germany, 2% in the US. So, where must the financing coming from? As you can see, most of it comes from earmarked tax paid equally by all the employees and all employers. The subsidies are given in the form of
long-term low-interest public loans. Repayments from the loans go back into the housing budgets creating an evolving fund, which makes long-term planning of public housing construction more reliable.

So, here the overview of the state instruments. So, housing subsidies, as mentioned, 1% of net income. That means annually for Austria €2.5 billion, for the State of Vienna 450 million. Plus €150 million from the Vienna State budget. That means repayments from former loans. Therefore, annual total €600 million secured until 2030.

Of this €100 million for housing allowances, so-called Wohnbeihilfe, €500 million for investment to out of this – two-thirds for new housing construction, one-third for retrofitting. Plus own means of nonprofit developers who must reinvest profits into housing plus own means of tenants plus, if still needed, loans from special housing banks who get tax incentives.

Lower housing costs for all – average annual income after taxes €23,800. Eligibility to public housing €45,000. Annual income for two, annual rent for three rooms in public housing, including utilities, about €7700. As a result, the cost-effective housing system costs Austria 1% of GDP as I mentioned before.

You may have noticed that we have not used the term social housing so far. This is because in many parts of the world this has become a stigmatized expression standing for poverty ghettos or for areas without a space of subsidized or affordable housing, which always aims at a strong social mix. Housing for the most vulnerable must be part of these mixed neighborhoods.

Let us come to a specific problem, which many cities are facing today – rising land prices. Of course, Vienna, as one of the fastest growing cities in Europe, has been confronted with this as well. The city has therefore introduced special intro instruments, an older since 1984 and one quite recent.

So, since 1984, nonprofit organization city owns the Wohnfonds Wien – buys and develops land for subsidized housing, approximately 7000 to 10,000 units per year, works with its own budget, except initial in-kind subsidy.
And the new category – subsidized housing in the land use plan since January 2019. Two-thirds of usable floor space must be used for subsidized housing. Maximum land price accepted in case of subsidy €188/m² gross floor space. That means around €3250/m² USF. This is expected to reduce land prices for subsidized housing by almost 90%.

The new regulation has meanwhile raised great interest all over Europe. In fact, rent prices for affordable housing have been decreasing significantly.

So, let’s look at a few other examples. In this neighborhood, there are affordable rental estates. The older building on the upper right are private villas or penthouses placed on top of the affordable rental building where residents share the common facilities, including a rooftop pool.

While the image on the lower right connect to various public facilities in these buildings. Residents meet here in these play rooms, music rooms, a residents’ library, a sauna, and others through enhanced community building.

Finally, there are experiments. This one called Bike City was planned for residents who use bicycles in everyday life rather than cars. It is well connected to the city’s bike network. It has large bike storerooms on the ground floor and large elevators for those who want to take their bikes up to their apartments. Buildings like this are part of the city’s efforts to change mobility patterns and to fight climate change.

In a city where more than 50% of the population are immigrants, integration is a major challenge. The city has therefore introduced local teams of multilingual social workers in all housing areas to send some communication among different groups of residents and to make residents participate in planning decisions. This includes also cultural or sports events to minority groups and so on.

Another example of ethnic mixing – model estate where 50% of the residents are foreign-born, the architects try to offer more space for communications than usual, including these gardens.
Vienna’s main development areas – a result of a new city development plan after almost two years of public discussion with residents. I want to point out just two of them. The red area south of the – around the main station and the green area in the east called Lake City, currently Europe’s largest urban development area, both include a large number of subsidized rental housing.

Let us first go to Seestadt, Lake City, which is being constructed around an artificial lake. In fact, to travel there, we can take either the new subway line, which connects to the other city centers in about 15 to 20 minutes, or the railway line, which connects to the cities of Mühlen and Bratislava to national capitals both in about 20 minutes.

Lake City is planned to house 20,000 residents and an equal number of jobs until 2030. At the moment, some 7000 people have moved in. Now the main railway station area located in the city location here, some 5000 new apartments mostly in the subsidized rental sector are being constructed and are now almost finished around a new large park.

Another inner-city development called Eurogate – the first part completed some five years ago is Europe’s largest passive house area meaning that even in the cold Austrian climate residents can live there practically without heating. The area will now be extended to house some 5000 to 7000 residents partly in the affordable subsidized rental sector, partly in more expensive private developments.

As this development is being built in the place of a former railway station where deportation started during the holocaust, the park includes also the new memorial for the deported.

Why passive housing and other strategies to reduce energy consumption? Housing is seen as an important part of Vienna’s fight against the climate change. Some examples of passive housing estates in this area. As stated before, the overall aim is to create socially mixed neighborhoods.

But within this general approach, there are some special housing types included in such developments, like housing with care integrated into normal housing estates. Baugruppen – it means self-organized cooperatives.
Example: Queer housing projects by the gay community. Low-rise developments to stop suburbanization.

I want to put out this example. We have learned from scientists that persons with dementia can remember colors longer than anything else. When integrating such residents into a housing area, they depend on lively scheme of nonaggressive colors as we can see here.

Another special type in housing in peripheral areas, the city wants to avoid further suburbanization by offering high-density settlements with private gardens within the affordable rental sector. Here are just two examples.

All this sounds like a success story, but housing needs permanent innovation to cope with societal development. Vienna has therefore started a broad innovation program called IBA, literally an international building exhibition, which after several years of broad public participation will end in 2022 showcasing some of its most successful new housing estates.

Vienna has been trying to promote its public housing system internationally. One of the results was the UN charter of sustainable housing adopted by the United Nations in Geneva in 2015. Recommendations to all member countries are based on the Vienna experience.

For more information on IBA and on the current Vienna housing program, you may refer to this address. Well, with this, we conclude our presentation. We hope it could give you an impression of what a public housing program can achieve. And we thank you very much for the invitation and for your attention. Of course, if there are any questions, we are still here. Thank you.

Professor Cohen:

Brilliant. Thank you so much, Werner and Wolfgang, for this fascinating presentation.

And let me just say, the experience of hearing you somewhat nonchalantly describe a housing system that from the Philadelphian perspective feels extremely utopian is just hard to describe. Let me pass it on to Senator Saval.
Senator Saval:

Thank you so much, Professor Cohen. Thank you, Wolfgang and Werner for this extraordinary presentation. So, as a legislator, as a state Senator, as someone who is interested in sort of reproducing just such a program that this is both incredibly inspiring and also somewhat daunting. It is, obviously, the result of years of work and organizing and advocacy, which I hope we will be able to talk about.

I just want to highlight a few things that struck me as both inspirational and salient for our current context. So, one is just the sheer variety. And Professor Cohen mentioned this at the beginning – but the sheer variety of architecture that is public or subsidized or in some sense social.

It is clear that the commitment to public provision of housing has not in any way mitigated the quality of that housing. It has not mitigated the attention to quality of life. In fact, on the contrary. Many of these projects, most I would say, rival any sort of market-rate development in the United States and are frankly better in terms of the kind of provisions that they have in the commitment to social sustainability.

So, I find that that is just an extraordinary development. And it just goes to show under any circumstances that were we to kinda adopt a similar program in the United States we would not necessarily see the results that people tend to associate with public housing in the United States, which can be exaggerated. I think public housing – much of it had major achievements but nonetheless sameness, uniformity. These are not things that we see at work here.

I wanna highlight again the importance of renting. In Philadelphia, there is a description of the city characterized by high rates of low-income home ownership, which is, in fact, true. But it is a city that is still majority tenants. And tenants tend not to have the same level of rights in many respects as homeowners and are subject to much more precarity in their housing situation. But this is something that we don’t see in Vienna. But the stigma around renting and tenants and, clearly, the rights afforded to tenants are much higher.
I also want to note the importance of adaptive re-use. This is something you started with and the priority given to brownfield sites in terms of development. That seems hugely important that the claiming of green space is not what happens. And as preservationists will often say that the sunk cost of energy in an existing building – it’s already spent. So, adaptive re-use is often one of the greenest strategies that you can use for social housing.

So, just in the United States context, we have a long and tortured history, which I won’t go too deep into, which in the 1930s there was an attempt to create a European social style social housing program led by Catherine Bauer among others to emulate the European project.

And one of the things that is relevant to our discussion here is that she really focused on not just the public direct interventions by the federal government in housing but the creativity around the ownership structure. So, things like cooperatives, which were popular in the labor movement at the time, were hugely emphasized. There were a number of ways that we could – nonprofits – just ways that the United States could subsidize and help build out a housing program because on its own the federal government would not provide a sufficient amount of housing.

That turned out to be true, and it’s clear that Vienna poses the example of one in which many different ownership structures exist. And now, I think, in the United States, we’re starting to think about land trusts. Or at least for several decades now that has become a more popular initiative.

We also have a system in which we do have a decentralized system in which tax credits are the primary way of financing housing. One might call it a failure. Certainly, it fails to create enough housing, and it is hugely cost inefficient.

However, the Vienna model starts to point to a model in which, again, if we have a different kind of set of ownership models, expanding tax credits and also really turning them into grants in particular and into direct subsidies, I think, would actually start to move towards the model that we have in Vienna.
So, I just want to note that it does strike me – and I’m curious if you agree with this – as a somewhat decentralized model. There are competitions. There are developers. There are nonprofits involved. It’s not purely a direct construction model. So, I’m curious if you have any response to that.

But my main question and then I will pass it to Ilona is what kind of democratic participation there is on the part of tenants themselves and residents. One gets the sense that there is a huge influence on the kinds of projects that are being built. But I’d just be kinda curious what kind of tenant associations and the like exist. How does that influence the kind of development that takes place and the architectural competitions, the nature of the construction and what is provided?

So, my question is, basically, what role do tenants play in this whole process? But, also, I would be curious to hear about to what extent you feel like this model is somewhat decentralized and how much that helps meet the need. And thank you again. I think this was hugely inspirational for all of us here and fascinating.

**Professor Cohen:**

Thank you so much for those remarks, Nikil. So, we’ll bring it to Ilona. And then after Ilona speaks, we’ll give Wolfgang and Werner a chance to respond.

**Ilona Duverge:**

Awesome. Thank you so much, Daniel. Thank you so much, Werner and Wolfgang. Like I said, I’m so honored to be here on this Tuesday getting my brain stimulated by this. Daniel mentioned utopian idea, but the way that I see is – why not? I am someone who wholeheartedly believes that housing is a human right. I believe that housing is the foundation for a successful life as someone who has expected housing insecurity herself, I would’ve liked and I know that there’s a lot of people in my past situation that if something like this were to exist would make all the difference.
So, just thank you so much for all the work that you’ve dedicated to social housing and bringing this to fruition in Vienna. And the United States should definitely take notes. And it definitely has inspired me. The first time I was hearing about social housing was in an article that Professor Cohen wrote. And that article inspired me to start thinking about public housing here in America but specifically near a city where I am right now.

The current conditions that we’re currently living in, why it is that we’re currently living in those conditions, and knowing that we deserve better and should do better. So, there was so much that I took away from this presentation.

But one thing that really stuck with me was there was no – since World War I, there’s been almost no private housing built. And that was really surprising to me because since then there’s been a concerted effort here in the United States to chip away at the only public housing that we have, which is kinda the last line of defense for a lot of our low-income, especially our communities of color.

So, that really stuck out to me because like I said, there’s been a concerted effort to de-prioritize housing in America, to disinvest from good housing in America, and on top of that has caused the demolition of a lot of our public housing authorities across America and has created space for these luxury developments to be developed and continuing to push out our communities of color and low-income communities. So, that has caused the current housing crisis that we currently have and that we’re facing and especially in this global pandemic that it just has exacerbated those effects.

And May 1st, tomorrow, we have the moratorium that lifts up. And I can quite honestly say that I am very worried that if we don’t have a strong response and a bold vision for the catastrophic issue that we are going to be facing past May 1st with our housing crisis here in America – we need to act. And we need to act now.

And that is why I’ve dedicated my work to organizing for a Green New Deal for Public Housing Act, which, again, as I mentioned was inspired a lot by this Vienna model. So, day in and day out, the tenants, although living in
these dilapidated conditions, are looking at the Vienna model and saying, “Why can’t that be us? Why can’t I live there?”

These tenants that have been in public housing for generations and have seen generation after generation how the conditions have just become more and more deplorable are looking at this Green New Deal for Public Housing Act as their hope, as the thing that they wanna strive for.

So, I continue to be super inspired by this model. I know that the public housing tenants definitely here in New York use it as their North Star, as their shining star, to continue organizing despite not having heat or hot water, despite living with mold in their apartments. So, I say why not. And I think that the Green New Deal for Public Housing Act that we’re currently fighting for is a step in the right direction.

So, just to kinda sum up, I think there’s two other things that I wanted to mention that I think was really important, and I think that the Vienna model prioritizes the livelihood of community in a way that our housing does not in America from the accommodation for folks with disabilities to mixed-income housing to the open green spaces.

A lot of the issues with our public housing here is that many of these tenants feel that they are in cages. They feel that they are in jail because these public housing developments are so caged off from the rest of the communities. And on top of that, there’s already an incredibly negative stigma to the people that live in public housing when in reality they are the people that run this city, our working-class people, especially here in New York. NYCHA has a huge union population. These are our workers. And every single day, they have to come back to these deplorable conditions.

I think it’s beautiful. I definitely have a few questions. I would love to hear the question about tenant leadership because I think that’s definitely a priority for me and a lot of the tenants organizing right now on the ground. The Green New Deal has a big component of tenant leadership and management as part of it. So, I’d love to hear more about that.
But I also would love to hear a little bit more about how this model could maybe work with a community land trust model because I know that’s also something that lots of tenants are very interested in. We currently have a community land trust here in New York, and it’s also just an interesting model to also think about.

And then my second question would be – a lot of the way that the social housing is funded in Vienna seems to come a lot from loans, state budgets, and kind of bits and pieces being put together. And here, in America, unfortunately, public housing as we know it needs to rely on mostly federal funding. The state and the city can give some sort of funding to public housing. But the ultimate fiscal responsibility is on the federal government.

So, in thinking of how that would work here in America, I would love to hear sort of your take of some next steps that we can take there to start to think about that big question that everyone asks about how are we going to pay for it, especially because – recently, in New York City, the city council just passed Local Law 97, which is retrofitting private resident buildings. But public housing was excluded from that bill.

So, again, public housing continues to be excluded not only here in the city but here in America. These conditions are getting worse. We need a big and bold solution to this crisis that we’re currently facing. And I definitely think that, obviously, Green New Deal for Public Housing Act is a step in the right direction. But, also, this bolder and bigger vision and more vast vision that includes more people of social housing, I think, is a long-term vision that we should definitely strive for. So, thank you so much again.

Professor Cohen:

Thank you so much, Ilona. So, I’ll just invite all the panelists to turn on their cameras. So, we’ll get into more of a virtual panel vibe. And Wolfgang and Werner, are you with us? Great. So, I’ll invite you, Werner, to speak for around five minutes, just any responses to Ilona and Nikil’s interventions. And then I’m gonna pass on some questions from the audience to the whole panel.
Wolfgang Förster:

So, Wolfgang’s answer to Nikil Saval – in all public estates, tenants elect their representatives on the Board of Administration. This is laid down in the law. This is one answer.

So, Ilona, yes, I agree with you. There has been some political pressure to privatize public housing in Vienna too. But seeing the disastrous results of such privatization programs, the city has refused to do this, fortunately. I would also recommend to study the Baugruppen model, as it reflects a sort of grass root approach, which might suit the American situation.

Professor Cohen:

Thanks. Can I maybe just quickly follow up a couple of the – because it connects to what you laid out and, I think, the spirit of the questions from Ilona and Senator Saval. Could you talk a bit about the ownership model where it’s not the city owning the housing. So, there’s this Baugruppen model you mentioned. I think there are also a lot of cooperatives, which are not exactly on the market. So, I think if you could say a few words about the diversity of non-market housing models within the overall Vienna system.

Professor Cohen:

Maybe while Wolfgang is noting that, do you wanna say a word, Ilona, about what that CLT idea is in New York City?

Ilona Duverge:

Yeah. So, there is Cooper Square, which is a community land trust here in New York. And I know that the idea of community land trust has been discussed between housing tenants and organizers simply because there’s a tenant leadership. Tenant ownership is really important to the public housing tenants and having authority to be able to make the choices for their community and the future of their community too because they have to create guidelines of what the community land trust is supposed to do or not do, who they’re supposed to sell to or not.
So, it helps sort of preserve what that community values but also gives equity opportunities for these tenants. So, it’s been seen as being able to stimulate economic mobility with lower income residents, especially since public housing is majority residents of color.

And especially through Section 3 and resident management corporations, a resident management corporation would actually be able to run one of these CLTs if that’s the way that the tenants organized. So, I think that idea is really appealing to tenants. So, I’ve always wanted to just know a little bit more about it and kinda hear from the experts on what that model could look like.

**Wolfgang Förster:**

So, non-market models include council housing when the city is the landlord with very low rents and subsidized nonprofit housing by nonprofit associations with affordable rents, both for low income and middle-income households aiming at the social mix. Some of them have the legal form of cooperatives but not all of them. They are under strictly public controlled.

**Professor Cohen:**

Great. Thank you. I wanted to offer you the chance to follow up if you want, Senator Saval, did you want to jump in?

**Senator Saval:**

Oh, sure. No, this is hugely helpful. What I would add is just that, Ilona, your comments are hugely right, especially because they point to a really community-led and grass roots, like a true black and brown working class-driven movement in our cities here, to find ways of control over our resources and land and housing.

And I think what we have is we have that. And then we have this federal housing model that is just not working for us for that movement. So, how can we bring those two things together where you have the low-income housing tax credit program, which is the largest contemporary source of affordable
housing development? It’s just not very much. It doesn’t build that many units. It often doesn’t suit these kinds of initiatives. It then tends to go to – it’s not done in this democratic way that I think we’re all trying to seek.

But it does seem like in this model as we’re hearing, there is a bit more of it. There is a bit more freedom and there is a bit more participation. Certainly, the pillars of sustainability and ecology and the like just reflect that. It certainly reflects the struggle of working class movements, I would say, at least in that history. So, I think that’s what we’re trying to seek. We’re trying to seek a model that is adequate to the movement desires on the ground. So, thank you for that answer.

**Professor Cohen:**

Thank you. So, this is excellent. So, what I’m gonna do is I’m gonna put a couple of questions from the Q&A bubbles to Wolfgang and Werner. And while you take note of those, I’ll also put a couple questions up for the US-based panelists. And then we can hear from Ilona and Senator Saval while Wolfgang and Werner tackle the other questions.

So, for Wolfgang and Werner, one question. Could you say something about the cultural underpinnings for the Viennese housing policy? And then I would add to that question the political underpinnings. I believe the social democrats never lost an election in Vienna. So, if you could say something about the cultural and political kinda underlying structures in Vienna that make this possible.

A second question – what are the bodies responsible for deciding which projects are located where? Is that a master plan? Or are those decisions made building by building?

A third question is – how does maintenance in the buildings and the management of the buildings financed? This is a huge issue in United States public housing where the projects are built, but there’s not enough money for maintenance and repair and kinda everyday work. So, how is that everyday maintenance and repair financed?
And I’m gonna throw one last question at you. I’m making you work hard here. What is the impact of the public sector housing on private market rents? Are the private rents way higher? Are they somewhat controlled? How is that affected?

And I wanna throw out a couple of questions here to Senator Saval and to Ilona, and answer what you will.

**Wolfgang Förster:**

Excuse me, Daniel. Maybe I just answer the last question. So, meanwhile, Wolfgang just writes down the other questions. So, the impact on the rental in Vienna is quite impressive. In the private sector, it depends on the areas, of course. You’ll have up to per square meter prices up to €18 maybe. And you have very limited rental prices in affordable housing. You have a maximum of about €8 per square meter. In the social housing, you have about €7 per square meter.

So, the range of prizes in Vienna – of course, you have a very, very high-priced ownership in downtown very high-priced ownerships in some areas. Now many are changed to very, very expensive, very luxury apartments, of course, as well, mostly bought by people from Saudi Arabia or Russia maybe. There’s a lot of impact on the price sector here in Vienna concerning private-owned apartments.

And in the rented sector where you have lots of buildings constructed in the last century, which were refurbished as well. It gets up to about €18 per square meter. It depends if you have a subway just around the corner. It depends – how is the situation just around your area? So, this is about the range of prices.

So, I think what is very important is middle class people get their subsidies in – get their lower rental parties as well. So, there are lots of discussions even coming from Brussels. Why should middle-class people get subsidized housing possibilities? So, Vienna is fighting against [inaudible] because this allows us to make a mixture of people in every area.
This is one of the principles of the city, not to ghettos – here are the rich. Here are the poor. So, the rich, rich – they are somewhere, of course. But they’re not taking their rental houses. But you have all people working in hospitals, people just getting a midsize income. They can afford housing because it’s the city’s politic.

**Professor Cohen:**

And just to elaborate on that point, if I understand right, what you’re saying is both from a social perspective, subsidizing middle income housing generates a social mix so that you have affordable housing in every different part of the city, and it’s politically important because it means you have a much broader coalition that will fight for and defend the subsidy model if middle income people benefit as well. Is that right?

**Wolfgang Förster:**

Yes, it is. Correct.

Wolfgang wrote down the answers. First, there has been a strong political continuity because since 1918, the social democrats have been ruling the state with an interruption of the two fascist periods between 1934 and 1945. This is one answer.

The other answer – according location, this is laid down in the city development plan, which is adopted every four years after public consultation with citizens.

Third, rent level. I want to add that the low public rents also have an inference on private rents which are lower than in other cities in Europe.

**Professor Cohen:**

That’s great. So, I’ll ask a couple of questions now to the US side, but I think you may wanna respond to them as well. So, one question is – and this is from Arielle Lawson. So much of our economies growth depends on the inflative speculative value of housing as we can see in the various housing
bubbles. So, she’s wondering – how can we think about housing in the broader picture of the economy, whether that’s the US economy or maybe the economy of Europe?

What does it mean to put housing at the center of a Green New Deal project, of a de-growth project, of a low-carbon care economy project? If housing value growth is so central to economic development, what does it mean to have a very different concept of housing in your economic program? So, that’s one question for Ilona and for Senator Saval as well for Werner and Wolfgang.

And then another question is sort of an organizing question from Arlena Chaney. Some of us live in a DC apartment building where we’re paying high rent. The pandemic has resulted in a 40% loss of tenants in our building. It says to compensate Section 8 housing tenants have been brought into the building. So, the high rent paying tenants wanna have the benefit of paying lower tenants, which is only kinda fair.

So, I guess the question is basically – how can more tenants access subsidy in the United States context? What’s a model where instead of having only a few tenants able to access subsidy programs, how can all tenants benefit from this kind of subsidy?

So, I’ll ask if Ilona or Senator Saval wants to tackle one of these two questions. Ilona, I see you’re unmuted. Go ahead.

**Ilona Duverge:**

So, kinda to the point of, I guess, both, I think one of the things that I think is really powerful, specifically about the Green New Deal for Public Housing Act, is that it is not only addressing the humanitarian crisis that we’re currently facing with housing and our public housing in America, but it is also tackling the environmental racism that is going on and also jobs justice, actually putting folks back to work, actually being able to have public housing actually follow through on why public housing was built in the first place – to build up that middle class, to actually have low-income folks have economic mobility. And so, the Green New Deal for Public Housing Act
would not only retrofit public housing, all the public housing stock in America, which would have a huge impact on our climate.

And, Daniel, totally correct me if I’m wrong, but here about 40% of a lot of that carbon pollution is coming from residential buildings. So, imagine wiping out 40% of that. So, there’s that. Being able to help with even the health conditions that a lot of these tenants are currently facing living in these apartments. But then beyond the environmental benefit, we’re actually reducing the electricity costs. We’re actually creating renewable energy. We’re putting people back to work to actually rebuild these structures giving them good high-paying union jobs to give them a fighting chance of success.

But even beyond just the construction jobs because a lot of folks are like – well, I’m not a builder. I’m not necessarily going to do that job. The Green New Deal for Public Housing Act talks way more about that. It talks about the FSS program, which the program would allow folks in public housing and low-income folks to participate in job trainings program, whether it be home heath aide, social work, nonprofit management, or organizing work.

So, there’s just so many benefits, especially the Green New Deal for Public Housing Act, which is kinda the thing that we’re pushing right now and is on the table. Since the past 40 years, this is the first time that the US is even talking about public housing in this way. And it even made it into Biden’s infrastructure package, $40 billion, which is not even enough for New York City public housing.

But the fact that it’s on there, it shows you that these tenants on the ground are organizing and mobilizing to be able to put this on the forefront and on the agenda. And also realizing their own power because something I always say to tenants is, especially here in New York City – New York City has the largest public housing authority in all of the country. One in 15 New Yorkers lives in public housing.

So, because there are so many folks that live in public housing here in New York, politically they can choose who their next mayor is. They can sway the governor election. They can chose who their congress people are, who their state senators are, who their city council is up and down the ballot. There’s
enough concentration all around New York City to be able to elect leaders who are actually going to put public housing on the forefront, right?

And then, obviously, all the benefits that come along with the passing of this bill. So, economic mobility, environmental justice, jobs justice but beyond just the labor component, right? So, this feeds into the larger community too. Since the Green New Deal talks about public housing specifically but also talks about low-income people. So, that also can include their surrounding low-income areas.

So, I think that there is a lot of possibility, especially with this bill, to tackle some of those things that you were mentioning because we’re saving money, we’re saving the planet, and we’re putting people back to work and, in essence, stimulating the economy because of that. So, yeah, that’s what I would say.

**Professor Cohen:**

Thank you so much, Ilona.

**Wolfgang Förster:**

Thank you. Thank you. Thank you very much.

**Professor Cohen:**

I’m just gonna throw it to Senator Saval, and then I’m gonna you, Werner and Wolfgang, to give any kind of closing remarks and to answer the questions.

**Wolfgang Förster:**

Wolfgang has written down three answers. So, concerning housing value growth, value growth is here seen as unproductive as it does not contribute to the production side of the economy, first.
The second answer – access to subsidy programs. In Vienna, it is not the tenants who receive the subsidies but the nonprofit developers who compete for them and offer it to all house seekers who are eligible.

Third, importance on climate protection – retrofitting has a much higher impact than new construction. Therefore, we’ll have a large subsidized retrofitting program both in the public and the private sector. But there must be not – no rent increases to prevent gentrification and to protect vulnerable groups.

**Professor Cohen:**

Amazing. Thank you. Those are terrific answers. Let me pass it on to Senator Saval.

**Senator Saval:**

Forgive me for laughing, I just was so gratified by the description of this speculative model is unproductive. That was just very great to hear. I only wanted to say very briefly, I thought what Ilona said was hugely inspirational. I think it kind of covered a lot of just the connection of climate and housing and work and how this is a program for people getting back to work on their homes, on shelter and the things that we cannot live without.

So, just the thing that strikes me – and Professor Cohen mentioned this that I ran and many people have been running as candidates on a Homes Guaranteed platform. And one of the phrases that comes from the Homes Guaranteed movement in the United States is that we’re proposing a public option for housing, which is essentially the idea that outside the model of the housing market you have housing that is in some respect and measure the result of public provision.

And just outside of the supply question from – let’s just think about the demand that in Philadelphia at least there are 40,000 people on a closed waiting list for public housing. There is a closed waiting list for housing choice vouchers – closed for years. And it’s doubly insulting, 1.) That there a
waiting list that is incredibly long, and 2.) That you actually aren’t even able to join the waiting list at this point. That’s how much demand there is.

And this by no means captures the number of people eligible, the number of people who want that housing, who need it. So, I just want to say that the demand for this kinda housing as it existed is hugely high. So, the need to create housing that breaks with the model as we have it in the United States is enormous, is widely held, is popular. So, I would just say that much.

So, to the extent that we can really seize this idea and seize this notion that our lives could be better with the creation of this housing. We know that it’s felt. It’s desired. So, I just feel like it actually is the will to do it that certainly people and movements have, and I think that we need to make that well felt at a governmental level. So, I just wanted to add that.

**Professor Cohen:**

Thank you. Werner and Wolfgang, before I close out, do you have any words of encouragement for us?

**Senator Saval:**

Could I ask if you had any words of inspiration or wisdom for us doing the work in the United States.

**Wolfgang Förster:**

Wolfgang is just writing down a few sentences here.

**Professor Cohen:**

This is the moment we’re all pausing to learn from. I wrote in this piece that Ilona mentioned that when I got to Vienna I thought that I was in the Karl-Marx-Hof, the famous housing complex. I was like – this is the temple of social housing. And then I realized that the entire City of Vienna is the temple of social housing. It’s not a building. It’s a system.
It’s a social model right-of-way of seeing the world in which the No. 1 biggest lobby in American politics, the wealthiest single economic lobby that spends money in Washington DC is housing. And you are coming to us from a city where people live a lot better and consider the No. 1 housing sector in the United States economy as unproductive. So, we want to hear your words of wisdom.

**Wolfgang Förster:**

So, I have three recommendations. First, try to switch from indirect to direct subsidies. Secondly, support the creation of a nonprofit sector. Third, try to include competition in such programs. Ah, there’s a fourth one. Avoid monopolistic structures in public housing.

**Professor Cohen:**

Can you say a word about what is meant by that?

**Wolfgang Förster:**

What is meant by that? Monopolistic structures?

**Professor Cohen:**

It sounds like that might be a reference to sort of diversity of different builders and governance structures.

**Wolfgang Förster:**

That means big public institutions – better nonprofit developers to compete for subsidies.

**Professor Cohen:**

Great, great. Well, listen, I just want to express enormous thanks to Wolfgang for coming, to Werner for speaking on behalf of Wolfgang. It’s really beautiful to watch you two communicate in real time and keep this project
alive and sharing it with the world. I want to say the idea for this event started for me years ago when I first visited Vienna and I started getting people excited about doing a trip to Vienna to visit the social housing, and then we had this pandemic.

At that time, I was lucky enough to come across your book, the “Vienna Model 2,” reached out, just sent an email to the email to the email address that I found on the internet to Wolfgang, and heard from you two. And you two of you generously agreed to make an online presentation and to share the content of your museum exhibit virtually since we can’t do anything in person in Vienna or even bring you two to the United States.

But that being said, the plan of going to Vienna with American housing organizers, I think, remains on the table once we’re cured and healthy and vaccinated. To modify the Jewish saying, it will be next year in Vienna.

I think we all have the appetite to see these projects, to meet the tenants, to meet the organizers, to meet the architects. And we’d love to bring you back to the United States. I know you’ve been here before, but the message has to come out even more clearly. So, I’ll just invite you to read what Wolfgang wrote there. Did Wolfgang just write something that he wanted to say?

**Wolfgang Förster:**

Yes, he just said on it – I hope we can once show you our buildings inside. Yes. We do a few program centers for groups coming from everywhere. So, contact with architects or other people, developers as well. So, you could be informed about all the details and how it is working.

**Professor Cohen:**

Thank you. We’re thirsty for this knowledge. So, thank you all very much. Thank you all so much for our attendees. Thank you so much, Wolfgang, Werner, Senator Saval, Ilona Duverge – a real pleasure to have this conversation. I’ll be sending out the recorded video later on. And thank you once again. And hope to meet you all in person very soon.
Wolfgang Förster:

Thank you. Good-bye. Good-bye.