

**A progress of Public-Private Partnerships in São Paulo's housing policy:  
challenges and conflicts in accessing decent housing**

**Rebecca Moura Moreira**

Mestranda, PGAUR USJT, Brasil  
rebeccamoura23@gmail.com

**Leticia Moreira Sígolo**

Docente, PGAUR USJT, Brasil.  
lesigolo@gmail.com

## **SUMMARY**

The article aims to analyze the advancement of Public-Private Partnerships (PPPs) in housing for social interest in the central area of São Paulo. Based on a literature review and document research, it was found that such partnerships have presented limitations in providing housing for the low-income population, leading to conflicts and displacements in strategic areas of interest to the real estate market. This facilitates investor access to housing services and allows construction companies to use urban planning tools for economic exploitation and the mobilization of public lands in the city. Housing PPPs come in a context of weakened housing policies and increased private sector involvement in public services, driven by neoliberal thinking. This situation raises questions about the effectiveness of PPPs in meeting the needs of vulnerable populations living in inadequate or deficient housing. Financing difficulties for lower-income families and the displacements carried out for new housing developments have led to the relocation of local residents and workers, some of whom have been pushed into environmentally fragile and peripheral areas. As a result, there is a growing role of the private sector in decisions regarding the production of housing for social interest, which not only fails to extend its reach to the poorest groups but also creates problems related to urban density and urban sprawl. These issues need to be addressed to promote more just and sustainable cities in their social, environmental, and economic aspects, committed to reducing inequalities, socio-spatial segregation, and promoting democratic governance in cities.

**KEYWORDS:** Housing Policy. Dignified Housing. Downtown São Paulo.

## **1. INTRODUCTION**

This article explores the complex scenario of current housing policies in the state of São Paulo, where the municipal and state levels have adopted the Public-Private Partnership model for the provision of social housing. However, this scenario brings with it a series of critical issues that permeate the dispute over territory, the commodification of housing and the prevalence of financial logic in housing production.

It is believed that recent public housing policies in the central area of the city of São Paulo, which involve Public-Private Partnerships (PPP) as the main means of access to Social Interest Housing (HIS) and Popular Market Housing (HMP), are not clearly effective, resulting in little progress in promoting decent housing, especially for the most vulnerable groups. The socially vulnerable population that should be prioritized is prevented from accessing the available financing, as many families do not have proof of income, nor do they have jobs and/or incomes compatible with the requirements for financing the property. They face many obstacles, even with the subsidies made available.

This also leads us to question what home ownership really means. Workers are forced to resort to long-term financing, subjecting themselves to a long history of being conditioned by the debt earned, in order to become homeowners (HARVEY, 1982). Another point to problematize is the discourse that partnerships would be a more effective way of reducing the housing deficit, as they enable faster production of units, which, however, is not exactly what is observed in the cases analyzed. Instead, we find the provision of public land, incentives and tax exemptions in order to arouse interest and reduce the risks of the operation for private agents.

It is considered a hypothesis of this study that the current housing programs in this PPP format are being created more to heat up the real estate market than to address the housing deficit, which is concentrated in the lower income brackets (AKAISHI, 2022). As part of the ongoing process, the impacts on the territory caused by the removal of local residents and workers for the construction of the developments stand out, with no guarantee that they will

be fully catered for in the new complexes, imposing urban bangs as the destination for some of them, and contributing to changes in the profile of this population with the progressive replacement of lower-income groups by others with greater purchasing power.

This article, which takes a qualitative approach and is structured on the basis of a bibliographical review and documentary analysis, aims to investigate the housing projects implemented in the central region by means of PPPs, analyzing their development, their socio-spatial impacts and, above all, how and where the families who were removed were served, given that many of them without access to the formal market found alternative housing in tenements, squats, boarding houses and other informal arrangements, which are often made invisible by public policies.

## **2. A BRIEF HISTORY OF SÃO PAULO'S HOUSING POLICY AFTER THE COUNTRY'S RE-DEMOCRATIZATION**

The changes in housing policy that took place after the military regime (1964-1985), in the wake of the country's re-democratization process, were marked by political and administrative decentralization under the 1988 Federal Constitution. This new federative pact strengthened the powers and autonomy of the local spheres of power, increasing the responsibilities of states and municipalities, which took on a more prominent role in formulating and implementing public policies, including housing (PEREIRA, PALLADINI, 2018; SÍGOLO, 2019).

In this scenario of decentralization of public administration, there have been significant changes in tax and fiscal relations between federal entities, in which "states and municipalities have had their share of tax resources collected by the Union increased" (SÍGOLO, 2019, p.2), which, in turn, has allowed for the design and implementation of housing policies that are more suited to local realities. However, this condition changed from 1995 onwards through the fiscal adjustment measures put in place to consolidate economic stabilization and deal with the international crisis of 1997/1998, which imposed budget restrictions and contingencies on public spending.

During the Fernando Henrique Cardoso administration (1995-2002), major financial constraints were imposed on local governments with changes to the federal sharing of public budget revenues, under neoliberal guidelines and fiscal austerity. This situation encouraged local governments to adopt development strategies based on urban entrepreneurship and competitiveness between cities, as well as increasing the participation of the private sector in public policies (SÍGOLO, 2019, p.3).

Also in the 1980s, as part of the São Paulo state government's housing policies, Decree No. 26,796 created the Housing Secretariat to coordinate actions to provide housing of social interest<sup>1</sup>, linked to the São Paulo State Housing Development Company (CDH), called the Housing and Urban Development Company (CDHU) since 1989, and before that as Codespaulo and CECAP, when it was founded in 1949. After the first year of the democratic government, Codespaulo had a huge debt accumulated with the federal government from loans granted

---

<sup>1</sup> Data taken from the jusbrasil portal: <https://governo-sp.jusbrasil.com.br/legislacao/190762/decreto-26796-87>

under the National Housing Bank (BNH), which was abolished in 1986, for the construction of housing estates, and it needed an internal overhaul. Codespaulo was therefore transformed into CDH in March 1984. Subsequently, the increase in the state's budget resources, due to the rise in tax rates, especially the Tax on the Circulation of Goods and Services (ICMS), made it possible for this federal entity to have greater financial autonomy in conducting its housing policy. Thus, the expansion of its own resources allowed for a more dynamic state policy, which demanded a permanent and consolidated housing system that could withstand greater expenses, meeting organized demands for a more robust housing policy. The CDH then began to produce housing units on a large scale.

In 1988, Decree No. 29.355 abolished the Housing Secretariat and the Metropolitan Affairs Secretariat and created the Housing and Urban Development Secretariat, to which the attributions of the Housing Secretariat were transferred, as well as movable property and equipment. It then began to concentrate activities related to housing and urban services and public works, and to link up with entities such as CDH, EMTU (Empresa Metropolitana de Transportes Urbanos), METRÔ (Companhia do Metropolitano de São Paulo), DOP (Departamento de Edificações e Obras Públicas) and EMPLASA (Empresa Metropolitana de Planejamento S.A)<sup>2</sup>. In 1991, the Secretary of Housing and Urban Development was renamed the Secretary of Housing (SH), through Decree No. 33.136, taking responsibility for coordinating the actions coming from the State Government, leaving CDHU in charge of carrying out projects and support measures for the implementation of municipal housing plans and programs with the intention of giving priority to serving the lower-income population, as described in official documents from the São Paulo State Government<sup>3</sup>.

As the country introduced policies more in line with neoliberalism, CDHU operations opened up more widely to the private sector, as noted by Pereira and Palladini (2018, p. 884). This initial movement was embodied in the Chamamento Empresarial (Business Call) program, which adopted a "turnkey" model in which projects were contracted ready for occupancy, and the Empreitada Global (Global Contract) program, in which CDHU contracted companies from the construction sector to develop projects and build housing units in bulk (ROYER, 2003). According to Royer (2003), the state gradually began to explore the possibility of partnering with entrepreneurs to carry out housing projects for the low-income population, on the grounds that this approach would lead to shorter execution times and lower overall costs. In the course of this process, the CDHU was responsible for large-scale housing production financed with funds from the state budget, including funds for subsidies for low-income families. In this way, a system of housing provision was structured, fed by a stable source of financial resources, which boosted the construction sector and aroused the interest of private developers and investors. All this contributed to the strengthening of the idea of "modernization" that accompanies the neoliberal advance in public policies (ROYER, 2003, p.69). Thus, we can observe the developments that have led us to current housing policies, such as the Minha Casa Minha Vida

---

<sup>2</sup> Data taken from the Legislative Assembly portal:  
<https://www.al.sp.gov.br/repositorio/legislacao/decreto/1988/decreto-29355-14.12.1988.html>

<sup>3</sup> Data taken from the official website of the São Paulo State Housing and Urban Development Company:  
<https://www.cdhu.sp.gov.br/web/guest/legislacao/organizacao institucional>

Program (PMCMV), the Green and Yellow House Program (PCVA), and São Paulo's Housing PPPs, based on a greater role for the private sector.

The concept of Public-Private Partnership, which emerged with the rise of neoliberalism, spread to various sectors and gained momentum with the regulation of Public-Private Partnerships (PPP) through Federal Law No. 11,079, enacted on December 30, 2004. This regulation reinforced the logic of the liberal-privatist model and was presented "as an alternative for investment in infrastructure, in line with the policy of fiscal austerity and contingency of public spending" underway since the late 1980s in the country (SÍGOLO, 2019, p.12). In addition, with the enactment of Decree No. 57,289/2011, the concept of the Manifestation of Private Interest (MIP) was introduced, with the aim of enabling the private sector to submit proposals, studies and surveys for the inclusion of projects in PPP programs, among others. This instrument has been increasingly used to propose partnerships in the low-income housing sector (PEREIRA, PALLADINI, 2018, p.890). These proposals are submitted to the State Public-Private Partnerships Program Management Council (CGPPP) for evaluation, and when approved, they are submitted for legal and economic structuring, and then forwarded to the corresponding department, with studies carried out in conjunction with the Public-Private Partnerships Unit (UPP) and the São Paulo Partnerships Company (CPP) (MENDONÇA, 2017, p.7).

The proposal for the first Public-Private Housing Partnership in the state of São Paulo began in 2008. That year, the São Paulo Social Interest Housing Fund (FPHIS) and the Housing Guarantee Fund (FGH) were created through the enactment of State Law No. 12,801/2008. The FPHIS, according to official documents from the São Paulo State Government's Urban Development and Housing Secretariat, was established with the purpose of organizing resources to promote housing actions beyond the state government sphere, enabling interaction with other funds, including the National Social Interest Housing Fund (FNHIS). On the other hand, the FGH was designed with the aim of reducing risks, granting guarantees and encouraging the participation of financial agents and private developers (GOVERNO DO ESTADO DE SÃO PAULO, 2010).

This agenda opened up new perspectives for housing provision by the private sector, ensuring the profitability of borrowed capital and mitigating credit risks. This was endorsed by means of legal and financial strategies in the wake of the financialization process in the real estate circuit, which gained strength with the new real estate financing system (SFI), which introduced fundraising instruments in the capital market for developers and construction companies (SHIMBO, 2012, p.104). This process expanded the possibility of private sector participation in housing provision, which began to act as a direct beneficiary of concession and financing policies.

The evolution over time of the ways in which the state has acted within the scope of the housing policy undertaken by the São Paulo state government reveals the transition from an interventionist state model, guided by national-developmental orientations, to a neoliberal state model, progressively guided by the interests of private agents (PEREIRA, PALLADINI, 2018, p.884).

### **3. THE BEGINNING OF THE PUBLIC-PRIVATE HOUSING PARTNERSHIP IN SÃO PAULO**

The public-private partnership for housing in São Paulo takes place in a context of weakening of public housing policies and increasing participation of private initiative in various sectors that were previously the responsibility of the state. This movement is linked to the advance of neoliberalism. It is related to this, which mobilizes the discourse of state incapacity and inefficiency to minimize state intervention in the economy and legitimize a progressive solution to the insertion of private agents in the provision of infrastructure and public services, which is now guided by logics and metrics from the private sphere (VOLPATO, 2019, p.21).

And it is within this framework of fiscal austerity and public spending constraints, that the progressive participation of the private sector in the housing policy of the São Paulo State Government takes place. The State's public housing production found itself in a very challenging scenario, given the growing demand and the lack of resources to meet it, including the need for a robust amount of subsidies to guarantee access to decent housing for the lowest income strata.

It should be noted that the state government has already considered the production of social housing by the private sector. However, this alternative encountered strong obstacles related to the reluctance of private banks to provide financing due to the high risk and low potential return of the operation, which resulted in a reduced supply of credit lines and low investment in this segment by construction companies, given the low liquidity of these properties (GOVERNO DO ESTADO DE SÃO PAULO, 2010).

Thus, from this neoliberal-privatist perspective, in order to meet housing needs, it is necessary to create a favorable environment for business, allowing it to obtain land, approve projects, produce and market housing more quickly and efficiently than the state provision, including public subsidies for the inclusion of a population that does not have sufficient income to meet the cost of housing in the formal market, and the provision of legal and financial guarantees to private agents to reduce the risks inherent in this production for companies (SOMBINI, 2015). This leads us to problematize another point in the partnerships: the possibilities of reconciling private interests, maximizing the financial return on the investments made with public interests, guaranteeing access to decent housing for the entire population, especially the most vulnerable groups, given the abysmal social inequality that plagues our country (FERREIRA, 2005). In defense of the PPPs, the state government claimed that the model of the public sector as an almost exclusive provider of low-income housing had been exhausted, led by the CDHU, which presented itself as a promoter and financial agent, distributing the direct subsidies granted by the government to the beneficiaries.

The redesign of the state's housing policy proposed the creation of a network of actors involved in the new housing supply model. This structure mobilized the resources of the FPHIS (Fundo Paulista de Habitação de Interes Social) and the FGH (Fundo Garantidor Habitacional), distributing responsibilities among different agents and with their resources under the responsibility of management councils chaired by the Secretary of Housing. The agents, known as promoters, would act in a more decentralized way, involving different promoters such as foundations, trade unions, community associations, housing cooperatives, public housing companies, private construction companies, as well as other entities that carry out complementary activities (GOVERNO DO ESTADO DE SÃO PAULO, 2010). The technical staff of the CDHU, in conjunction with the Caixa Econômica Federal, which is also the financial agent

and operates with funds from the Severance Compensation Fund (FGTS), will act as the operating agent, playing a central role in this public policy (VOLPATO, 2019, p. 108).

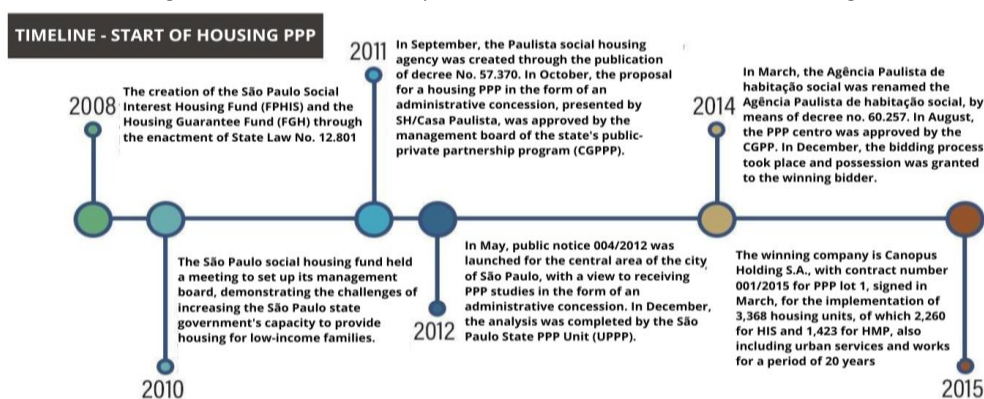
The expected results would be greater state participation in the National Social Housing System (SNHIS) and, consequently, greater use of FNHIS resources. The funds transferred allowed for the decentralized development of interventions by public and private promoters. At the same time, a subsidy distribution system was set up to adapt the payment capacity of the population served to the cost of financing housing, thus laying the foundations for a housing system in São Paulo (GOVERNMENT OF THE STATE OF SÃO PAULO, 2010).

It was hoped, as stated in the document, that with the FGH and FPHIS, private banks would begin to meet the demand for social housing, as these funds would reduce the risk of operations, thus contributing to the decentralization of policy implementation through the transfer of resources to public and private promoters, as well as subsidies. In this way, construction companies would begin to invest in the segment by providing lines of credit that would guarantee the liquidity of the properties they produce, and local public companies would expand their operations with a complementary contribution of non-repayable funds.

The new model for the flow of funds from the Government of the State of São Paulo provided for the transfer of funds from the Treasury to the Housing Secretariat (SH), which would inject them into the FPHIS. The operating agent (CDHU technical staff), with the approval of the São Paulo Social Interest Housing Fund Management Council (CGFPHIS), would allocate these non-repayable funds for the execution of housing programs and actions. These funds would then go to the CDHU (the public promoter) and to the other promoters, who would guarantee housing to the low-income population that does not have access to it through the market. The difference between the current model and the one in force at that time was the direct transfer from the Housing Secretariat to the CDHU, which had guaranteed funding for production and subsidized financing (GOVERNO DO ESTADO DE SÃO PAULO, 2010).

The transition to a new financing regime required the government to establish a system to guarantee payments to concessionaires, avoiding the possibility of accumulating debt through advance payments. In this sense, the Companhia Paulista de Parcerias (CPP) would guarantee six monthly payments, a measure introduced for payments in PPP projects (PEREIRA, PALLADINI, 2018, p. 894).

Figure 1 - Timeline of the implementation of the São Paulo State Housing PPP



Source: Data extracted from documents made available by the Department of Urban Development and Housing, on the official website: <<https://www.habitacao.sp.gov.br/icone/detalhe.aspx?Id=10>> Prepared by the authors, 2023.

Between 2008 and 2012, preliminary studies and procedures were carried out to structure the Housing PPP within the framework of the Government of the State of São Paulo. This phase ended with the launch of Public Tender No. 004/2012, for the provision of 10,000 housing units for families with an income between 1 and 10 minimum wages, on 6 plots of land in the central area of São Paulo, in the form of an administrative concession, and after the completion of the analyses carried out by the PPP Unit of the State of São Paulo (UPPP). A total of 20,221 housing units were to be provided through international competition, of which 12,508 for housing of social interest and 7,713 for housing of the popular market (GOVERNO DO ESTADO DE SÃO PAULO, 2017).

In 2011, the São Paulo Social Housing Agency was created, and the following year, the Housing PPP proposal was approved. From then on, a public structure for the provision of housing was established, centered on the role of the private sector, articulated with a symbolic construction, supported by a discourse that highlights the anachronism of the public administration bureaucracy and defends changes in public policy so that the state takes a managerial role, making it more modern, lean and efficient. According to official documents, this partnership would not represent a drastic change in policy design, as it would be "incremental in nature, in which certain trends already underway are acknowledged, trends that were already underway are accentuated" (PEREIRA, PALLADINI, 2018, p. 885).

In 2014, the Paulista Social Housing Agency was renamed Casa Paulista by Decree No. 60,257. In the same year, the São Paulo City Center PPP was approved by the CGPPP (Management Council of the State Public-Private Partnership Program), with the launch of the international tender. After the announcement of the winning company, Canopus Holding S.A., the contract, SH nº001/2015 of PPP Lot 1, was signed in 2015, for the provision of 3,368 housing units, of which 2,260 for HIS and 1,423 for HMP, as well as urban services and works (GOVERNO DO ESTADO DE SÃO PAULO, 2017).

The state government of São Paulo, under the leadership of Geraldo Alckmin, implemented the housing PPP called "Casa Paulista", with the aim of promoting the construction of popular housing in the city center. According to an official document, this represented a significant change in the approach to social housing in São Paulo (SÃO PAULO STATE GOVERNMENT, 2017). Thus, there was a change in the direction of housing provision policy, which was no longer approached as a social policy seen as a social right, but as a policy to meet the demand for housing, following the logic of the private housing supply and demand market (PEREIRA, PALLADINI, 2018, p. 890).

The Casa Paulista housing PPP established a partnership with the São Paulo City Hall, in which the latter committed to provide complementary resources and land, while the state government took responsibility for the construction of the projects. In this scenario, the list of families to benefit is drawn up from the register of the Metropolitan Housing Company (COHAB-SP), in proportion to their financial contribution to the construction of the housing units. The other families will be selected through an open selection process that will take place during the state government's project approval phase.

Following the state PPP, the Municipal PPP "Casa da Família" was launched in 2018 with similar objectives, aiming to reduce the housing deficit through the role of the private sector in



housing policy. COHAB-SP and the Municipal Housing Secretariat (SEHAB) launched the first municipal housing PPP in Brazil, which, unlike the state PPP, operates in microcentres and peripheral areas. The tender, with six lots and 13,180 housing units, was approved in February 2019. In January 2020, a new tender was opened for 11,790 housing units, covering different income brackets.

These initiatives were accompanied by displacements, especially of local residents and workers from areas of high social vulnerability, which did not guarantee the implementation of housing projects based on participatory processes and the real needs of the affected population (UNGARETTI, CASTRO, SANTORO, 2020)<sup>4</sup>.

#### **4. PPP LOT 01 - CENTRAL AREA OF SÃO PAULO**

The Housing PPP Lot 01, implemented in the central area of the city of São Paulo, was the first housing partnership contract signed with Canopus Holding S.A. through an international tender. The aim of the program, as described on the official website<sup>5</sup>, The aim of the project is to serve families who work in the expanded center and live on the outskirts, reducing commuting and the sprawl of the city. This group would represent 80% of the beneficiaries, while the other 20% would correspond to families who already live and work in the center.

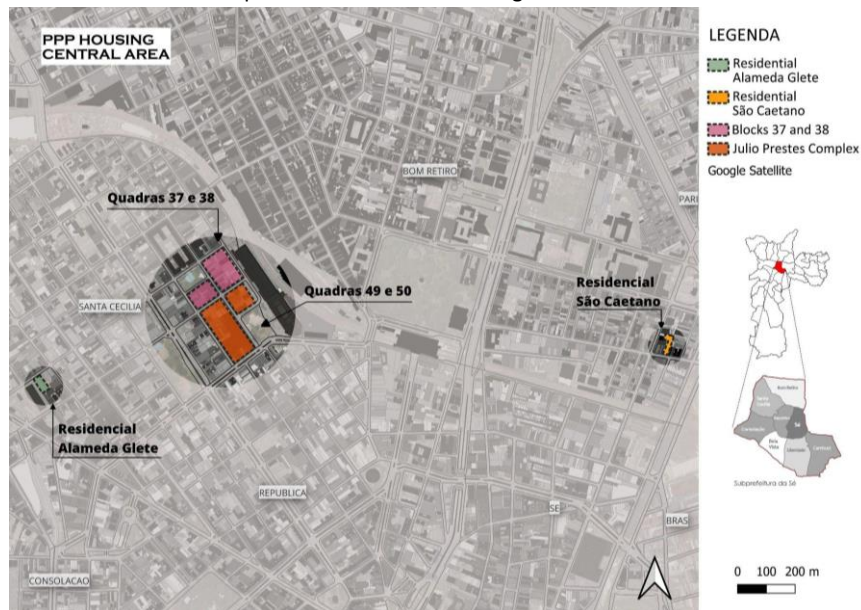
The program allows both the government and the private sector to seek financing throughout its duration from financial institutions, thus making investment in social housing viable. The concessionaires are responsible for setting up the housing units and carrying out other services, including condominium management, building maintenance, pre- and post-occupancy services, as well as implementing public and non-residential facilities. In return, they benefit from tax exemption during the construction phase and the possibility of distributing the charges over the 20-year duration of the concession. For lot 1, private investment of around R\$919 million was planned, with the concessionaire paying R\$465 million in cash, divided over the course of the concession and paid as soon as the housing is delivered.

---

<sup>4</sup> Information taken from LabCidade: <https://www.labcidade.fau.usp.br/ppp-habitacional-em-sao-paulo-nova-concorrenca-e-novas-ameacas-de-remocao/>

<sup>5</sup> Information taken from the official website of the Secretariat for Urban Development and Housing: <https://www.habitacao.sp.gov.br/icone/detalhe.aspx?Id=9>

Map 1 - Plots selected for the implementation of the Housing PPP in the central area of São Paulo



Source: Information taken from the official website of the Secretariat for Urban Development and Housing. Available at: < <https://www.habitacao.sp.gov.br/icone/detalhe.aspx?Id=9> > Prepared by the authors, 2023.

The São Caetano residential development, part of PPP Lot 1, which opened in 2016, was the first housing PPP project in the state of São Paulo. Located in the Bom Retiro district, its development began with the expropriation of an occupation, nicknamed "Ponte Estaiadinha", located on the site in November 2013. The families who were in this occupation went to relatives' houses, rented houses and the rest set up a camp in front of the São Paulo State Traffic Department (DETRAN), located on the Marginal Tietê, totaling 232 people. The demands of the occupying and encamped families made it possible to negotiate with São Paulo City Hall, so in 2015 this demand was incorporated into the Housing PPP. The development has 8 blocks of 4 floors with 101 one-bedroom units (33m<sup>2</sup>), 19 two-bedroom units (48.33m<sup>2</sup>) and 6 adapted one-bedroom units (36.87m<sup>2</sup>), totaling 126 apartments. Aimed at families with an income of between 1 and 3 minimum wages, classified as HIS 1<sup>6</sup>. The families who benefited were selected on the basis of their membership of associated organizations. It can be seen that, even with the inclusion of the families who lived in the occupation and those who camped out in front of DETRAN, there is a significant discrepancy between the number of individuals relocated and the number of housing units made available.

Later, Residencial Alameda Gleite, located in the Campos Elíseos neighborhood, was built on land owned by CDHU, as part of PPP Lot 1. The development consists of 91 housing units (HU), distributed in 35 one-bedroom units (40.80m<sup>2</sup>), 49 two-bedroom units (53.82m<sup>2</sup>) and 7 adapted two-bedroom units (53.32m<sup>2</sup>), in a tower with 7 floors plus the first floor, including living areas and green spaces. Completed in 2017, the project was carried out over a period of 13 months, following the Fast Track logic (VOLPATO, 2019, p.157), and was also intended for

<sup>6</sup>HIS 1 - Social Interest Housing, classified as band 1, intended for families with an average monthly family income of no more than three minimum wages, up to R\$ 2,640.00 (two thousand six hundred and forty reais), according to Decree No. 57,377, of October 11, 2016.

families classified as HIS 1, with selection made by electronic lottery, based on COHAB's demand list and CAIXA's criteria.

The start of the Casa Paulista PPP is characterized by developments aimed at families with lower purchasing power, classified as HIS 1. The partnership involves the São Paulo city government, through COHAB and SEHAB, in collaboration with the state government, which has ceded areas within the municipality for the implementation of the PPP in the center<sup>7</sup>. However, few housing units were made available, and these were on public land.

The Júlio Prestes Complex represents a different type of partnership, with a broader target audience. The development was implemented in the former Luz Bus Terminal (in operation between the 1960s and 1980s), in blocks 49 and 50, areas demarcated as Special Zones of Social Interest (ZEIS). Located in the Campos Elíseos neighborhood, construction began in January 2017 on public land granted jointly by the City Hall and the State Government. The complex has a total of 1,200 units. In Block 49, 914 units were made available to HIS, for families with incomes between R\$810 and R\$4,344. In Block 50, there were 216 units for HIS and 72 units for HMP, for families with incomes between R\$4,344 and R\$8,100<sup>8</sup>. In addition to the housing units, the complex included the Tom Jobim Music School, a nursery school, a sports field, a square and spaces for commercial use and services, as well as the requalification of the capital's 2nd Fire Brigade.

The complex in question arrived with great repercussions, due to its installation in the epicenter of the so-called Cracolândia, and the evictions that were carried out without adequate support for the families involved, who lived in tenements, boarding houses and squats in the area where it was built. In addition, its arrival was part of a series of initiatives that marked the beginning of João Doria's term as mayor (2017-2018), supported by a discourse of the need to revitalize the center, which invisibilizes more popular groups living in the area, but which still resonates with certain social groups.

#### **4.1 Conflicts, disputes and developments in the PPP for the central area: the case of blocks 37 and 38**

Although the official objective of the Housing PPPs is to provide housing for low-income groups, the implementation of this project has been accompanied by a series of evictions, especially of families from the most vulnerable social groups. The justification for these evictions is the need to remove them for the construction of low-income housing estates. However, these families have great difficulty in accessing the available financing due to the financial and bureaucratic requirements established, even with the subsidies and discounts offered according to their family income. We also see a lack of adequate support to guarantee the relocation of families and local businesses, with access to the rent subsidy limited to only a part of those affected and not extending to the entire population displaced (UNGARETTI, GUERREIRO, MARCHI, ROLNIK, ABRAMOWICZ, SANTORO, SANTORO, GONSALES, 2020).

---

<sup>7</sup> Article on COHAB's participation in the construction of the Julio Prestes Complex PPP: <https://www.cohab.sp.gov.br/Noticia.aspx?Id=3483>

<sup>8</sup> Source: <http://www.habitacao.sp.gov.br/icone/detalhe.aspx?Id=13>

Another example of the implementation of PPP Housing in the Central Region occurs in blocks 37 and 38, also in the Campos Elíseos neighborhood, located in a Special Zone of Social Interest (ZEIS-3) and next to the Júlio Prestes Complex. In the initial formulation of Lot 1 of the Casa Paulista PPP, it was not planned to include these blocks, which was done recently. In the aforementioned blocks, the families who live and work there have been undergoing an eviction process since 2017, some of them with the use of violence and without adequate support from the competent authorities. Today, the area has been cleared and the construction of the housing complex has begun..

Figure 3 - Housing PPP project for blocks 37 and 38 - Campos Elíseos



Source: Images taken from the guidelines for blocks 37 and 38 produced by the São Paulo Municipal Housing Department

<[https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612\\_Diretrizes\\_de\\_Intervencao\\_Quadras37e38.pdf](https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612_Diretrizes_de_Intervencao_Quadras37e38.pdf)>.

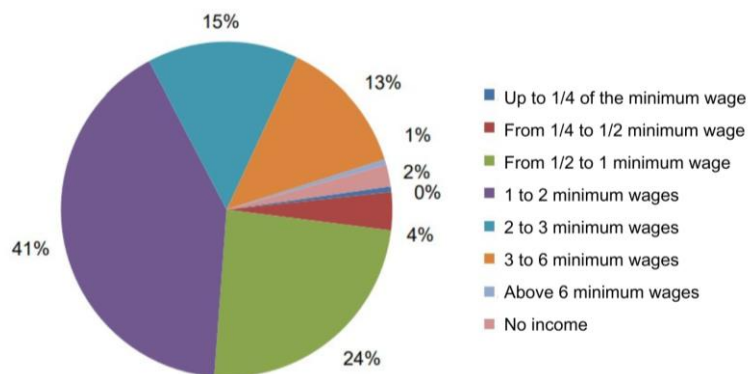
The Municipality of São Paulo established guidelines for the intervention in blocks 37 and 38, which it then discussed with the Board of Directors of the ZEIS located there. First of all, the need to diversify the forms of assistance and financing was emphasized, prioritizing the definitive support of the families affected by the intervention, especially the most vulnerable. These solutions would involve combining budgetary and financial resources from different sources, at the federal, state and municipal levels. Another point raised was the possibility of providing assistance through the transfer of property or through social renting. Thus, two possibilities were presented for these families to access housing: through the purchase of the property with financing and subsidies, once the requirements for access to credit managed by CAIXA have been met, according to the rules of the FGTS Board of Trustees, or through social renting according to the regulations in force at the time of the assistance.

The guidelines presented in an official City Hall document were not fully followed in practice. We identified a total of 190 families who lived and worked in these blocks and who were not properly welcomed and cared for by the state<sup>9</sup>. The families registered to receive

<sup>9</sup> Survey carried out by LabCidades: <https://www.labcidade.fau.usp.br/familias-removidas-dos-campos-eliseos-correm-risco-de-serem-excluidas-da-ppp-habitacional-no-centro/>

housing assistance were given access to the R\$400.00 real rental benefit, a temporary assistance that is not compatible with the reality of renting in the region. A survey carried out by the São Paulo Purchase and Sale Companies Union (SECOVI-SP), of residential rental values in the city of São Paulo, revealed that the average value per square meter, in February 2023, reaches R\$27.53.<sup>10</sup> Still on the subject of the amount of the rent subsidy not being in line with the reality of rents in the region, a survey carried out on the main real estate rental platform today, the Quinto Andar portal, revealed that the amount needed to rent a 41m<sup>2</sup> apartment, the minimum size suitable to accommodate a family, in the Campos Elíseos neighborhood, reaches R\$2,140.00.<sup>11</sup> The conclusion is that it would be necessary to provide financial assistance worth more than 1 MW in order to allow families to live with dignity in their current areas of residence, remaining in the central region and facilitating their integration into the formal housing market.

Figure 4 - Family income of residents of blocks 37 and 38



Source: Prepared by SEHAB, 2018. Graph taken from the survey carried out to draw up the guidelines for blocks 37 and 38 by the São Paulo Municipal Housing Department <[https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612\\_Diretrizes\\_de\\_Intervencao\\_Quadrantes37e38.pdf](https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612_Diretrizes_de_Intervencao_Quadrantes37e38.pdf)>.

The graph presented, taken from the official document that presents the guidelines established for the intervention in blocks 37 and 38, provides relevant information on the income of the evicted families, comprising 190 families. It shows that 41% of those interviewed had family incomes concentrated in the 1 and 2 MW brackets. However, it is worth noting that this percentage changes based on the current minimum wage of R\$1,320.00 (in 2023), which means that the majority of these families, or 84% of those interviewed, would currently have an income of less than 2 MW. This exacerbates the difficulties of access to housing, since their income would not be sufficient to meet the requirements of the financing available under the PPP.

Another piece of data that is equally relevant to the analysis of the obstacles to access to financing relates to the professional situation of the individuals. It was found that 20% of them were unemployed, 46% were self-employed and 9% worked without a formal contract. These figures indicate a difficult economic situation, which can have a negative impact on the ability

<sup>10</sup> Monthly Survey of Residential Rental Values in the City of São Paulo, official SECOVI-SP website: <https://v6.secovi.com.br/pesquisas-e-indices/pesquisa-de-locacao/pesquisa-mensal-de-valores-de-locacao-residencial-da-cidade-de-sao-paulo-fevereiro-2023/81>

<sup>11</sup> Rent simulator Fifth floor: <https://mkt.quintoandar.com.br/quanto-cobrar-de-aluguel/>

of these families to obtain credit and pay their installments, resulting in progressive indebtedness and default for a significant part of this population.

Figure 5- Distribution of families by income bracket and their inclusion in the PPP - Blocks 37 and 38.

Stratification of families - According to the registry of blocks 37 and 38				
RF	Income brackets - in R\$	N° Families	%	Eligible
-	Até 1.108,37	73	38,42%	Not eligible for PPP
1	1.108,38 a 2.194,59	73	38,42%	Eligible for the PPP
2	2.194,60 a 3.325,14	32	16,84%	Eligible for the PPP
3	3.325,15 a 4.433,52	7	3,68%	Eligible for the PPP
4	4.433,53 a 5.724,00	4	2,11%	Eligible for the PPP
5	5.724,01 a 7.924,93	1	0,53%	Eligible for the PPP
Total		190	100,00%	

Source: Prepared by SEHAB, 2018. Table showing the distribution of families by income bracket and their inclusion in the PPP, drawn up by the São Paulo Municipal Housing Secretariat <[https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612\\_Diretrizes\\_de\\_Intervencao\\_Quadrantes37e38.pdf](https://www.prefeitura.sp.gov.br/cidade/secretarias/upload/habitacao/180612_Diretrizes_de_Intervencao_Quadrantes37e38.pdf)>.

In order to purchase a home, the families are subject to the rules of the program and the conditions established by the financial agent of the operation, in accordance with its credit policy, which takes into account the individual and family income to determine the amounts of compulsory insurance, as well as the interest rates charged. On the basis of the aforementioned surveys, we can conclude that a large proportion of the families concerned, 38.42%, would not meet the established requirements, since they do not have a fixed income that can be included in the PPP.

We conclude that the Casa Paulista PPP does not cover housing for people with an income below 1 MW, as shown in the table above, nor for those who cannot prove their income or do not have one. Such disregard for the local context and the reality of the residents and workers in the areas where the PPPs were implemented reveals a certain prevalence of private interests committed to maximizing the financial gains of the operation and the use of public resources and land, overriding the officially declared objectives of reducing the housing deficit and providing social housing<sup>12</sup>. It is also worth noting the lack of control over the destination of the properties, whether they are actually intended for the low-income population or for other, higher income groups.

## 5. CONCLUSION

This article offers a comprehensive analysis of the current housing policy of the State Government of São Paulo, revealing the historical process of adopting the public-private partnership model to promote social housing. In this regard, the study revealed a series of challenges and critical issues that permeate this strategy, as opposed to planned and participatory action, guaranteeing democratic management in decisions on urban and housing policies and, above all, the provision of housing to the most vulnerable groups.

<sup>12</sup> Information taken from the booklet prepared by Labcidade on state and municipal housing PPPs: [https://www.labcidade.fau.usp.br/wp-content/uploads/2019/10/cartilhaPPPs\\_digital\\_v4-compressed.pdf](https://www.labcidade.fau.usp.br/wp-content/uploads/2019/10/cartilhaPPPs_digital_v4-compressed.pdf)

Over the years, the paths of São Paulo's state housing policy have revealed a progressive rapprochement between the state and the private sector in the implementation of programs and projects, reinforcing the neoliberal logic, often to the detriment of democratic participation and control in urban planning and management processes, in the wake of the transformation of citizens into consumers (VOLPATO, 2019).

This increased presence of the private sector in public policies, including housing, is based on discourses that aim to weaken the role of the state by highlighting supposed (and questionable) inefficiencies, incompetence and slowness, promoting the dismantling of essential public services and weakening the state's ability to regulate and protect the public interest. It is essential to preserve the public function in the provision of social housing, not sticking to a single model, but guaranteeing the universalization of the right to housing, which implies the unveiling of different individuals and realities in order to fight social inequalities.

To do this, it is important to consider other forms of housing and housing services.

According to data from the 2022 Census, published by the IBGE (Brazilian Institute of Geography and Statistics) in 2023, there are 588,978 unoccupied households in São Paulo. Parallel to this reality, a recent study estimated that 48,261 people live on the streets in São Paulo. The number of unoccupied households represents twelve times the total number of people living on the streets in the capital. This situation makes us question whether the construction of new settlements is really the most appropriate solution from a social, economic and environmental point of view. Prioritizing the reuse of properties already occupied by organized social movements for renovation rather than demolition, along with serving the families already living there, would expand access to decent housing in central areas and democratize the infrastructure of large urban centers (AKAISHI, 2022). This action would make it possible to meet the diverse housing needs of the population by expanding the supply of housing with affordable rents and housing support programs for vulnerable groups.

## 6. REFERENCES

AKAISHI, Ana Gabriela. **A herança mercantil e os entraves dos imóveis ociosos no centro de São Paulo**. Tese de Doutorado. São Paulo: FAU USP, 2022.

FERREIRA, João Sette Whitaker. **A cidade para poucos: breve história da propriedade urbana no Brasil**. In: Simpósio Interfaces das representações urbanas em tempos de globalização, v. 1, 2005.

GOVERNO DO ESTADO DE SÃO PAULO. Secretaria de Desenvolvimento Urbano e Habitação. **Reunião de instalação do Conselho Gestor do Fundo Paulista de Habitação de Interesse Social (FPHIS)**. 2010. Apresentação de Powerpoint. Disponível em: <habitacao.sp.gov.br/icone/detalhe.aspx?Id=10 >. Acesso em: Out. 2023.

GOVERNO DO ESTADO DE SÃO PAULO. Secretaria de Desenvolvimento Urbano e Habitação. **Contrato PPP Lote 1 Área Central da Cidade de São Paulo para implantação de 3.368 uh (2.2260 HIS e 1.423 HMP), serviços e obras urbanas**. 2017. Disponível em: <habitacao.sp.gov.br/icone/detalhe.aspx?Id=10 >. Acesso em: Out. 2023.

HARVEY, David. **O trabalho, o capital e o conflito de classes em torno do ambiente construído nas sociedades capitalistas avançadas**. In: Espaços e debates, n.6, pp. 6-35, 1982.

KARA-JOSÉ, Beatriz. **A popularização do centro de São Paulo: um estudo de transformações ocorridas nos últimos 20 anos**. 2010. Tese (Doutorado em Planejamento Urbano e Regional) - Faculdade de Arquitetura e Urbanismo, Universidade de São Paulo, São Paulo, 2010.

KOWARICK, L. **A Espoliação Urbana**. Rio de Janeiro: Ed. Paz e Terra, 1979.

PEREIRA, A. L. D. S.; PALLADINI, G. M. **Parceria público-privada para construção de moradia popular: fundamentos institucionais para a expansão do mercado de habitação em São Paulo.** In: Cadernos Metrópole, v. 20, n. 43, p. 879–903, dez. 2018.

ROYER, Luciana de Oliveira. **\*Política habitacional no Estado de São Paulo: estudo sobre a Companhia de Desenvolvimento Habitacional e Urbano do Estado de São Paulo, CDHU.** 2003. Dissertação (Mestrado) - Universidade de São Paulo, São Paulo, 2003. Disponível em: <<https://www.teses.usp.br/teses/disponiveis/16/16131/tde-16082023-115425/pt-br.php>>. Acesso em: 16 set. 2023.

SÍGOLO, Leticia. **Descentralização às avessas: o federalismo, a gestão urbana, a questão metropolitana e as dinâmicas do setor imobiliário residencial na metrópole paulistana nos anos 2000.** In: Anais XVIII ENANPUR 2019, São Paulo, 2019.

SOMBINI, Eduardo. **Grandes projetos urbanos, parcerias público-privadas e usos corporativos do território da área central de São Paulo.** In: XXXIV INTERNATIONAL CONGRESS OF THE LATIN AMERICAN STUDIES ASSOCIATION. 2015. p. 2016.

SHIMBO, L. **Habitação social de mercado: a confluência entre Estado, empresas construtoras e capital financeiro.** Belo Horizonte: Editora C/Arte, 2012.

UNGARETTI, Debora; CASTRO, Ulisses; SANTORO, Paula Freire. **PPP Habitacional em São Paulo: nova concorrência e novas ameaças de remoção.** 17 de março de 2020. Disponível em: <<http://www.labcidade.fau.usp.br/ppp-habitacional-em-sao-paulo-nova-concorrenca-e-novas-ameacas-de-remocao/>>. Acesso em: Out. 2023.

UNGARETTI, Debora; GUERREIRO, Isadora; MARCHI, Isadora; ROLNIK, Raquel; ABRAMOWICZ, Renato; SANTORO, Paula; GONSALES, Talita. **PPP da Prefeitura promove remoções em meio à pandemia e eleições.** Disponível em: <<http://www.labcidade.fau.usp.br/ppp-da-prefeitura-promove-remocoes-em-meio-a-pandemia-e-eleicoes/>>. Acesso em: Out. 2023.

VILLAÇA, Flávio. Uma contribuição para a história do planejamento urbano no Brasil. In: DEÁK, C.; SCHIFFER, S. R. (org.). **O processo de urbanização no Brasil.** São Paulo: EDUSP, 1999. p. 169-221.

ULTRAMARI, Clóvis. **Relações entre Urbanismo e Planejamento Urbano: uma sugestão de debate.** Mimeo.

VOLPATO, João Pedro de Oliveira Campos. **Habitação na era da austeridade: a parceria público-privada no centro de São Paulo.** 2019. Tese de Doutorado. Universidade de São Paulo.