



Social Housing Development Authority (SHDA)

S.8494 Cleare / A.9088 Gallagher

What is Social Housing?

Social housing is **permanently affordable**, prioritizes **community ownership and democratic control**, and is **protected from market forces**.

Social housing includes limited equity co-operatives, publicly owned housing, and community land trusts.

Every New Yorker deserves a **safe, stable, affordable, and beautiful place to live**. But our housing system is broken. We've given billions to wealthy developers to build unaffordable housing while working families can't afford to live in our state, leading to a massive exodus of New Yorkers as well as rises in evictions and homelessness.

Instead of doubling down on that broken system, we can build on our history. **New York pioneered massive investments in social housing during the 20th century, providing homes for hundreds of thousands**. We did it before – let's do it again.

The Social Housing Development Authority (SHDA) is a new, well-capitalized public developer that can build and preserve affordable housing across the entire state, using union labor.

Examples of Social Housing in New York



**Mitchell-Lama
Co-Ops and Rentals**



**Cooper Square
Community Land Trust**

Investing for the Public Good

The SHDA is faster and more efficient than our existing agencies because it brings many of the existing powers of the state – to **finance, build, acquire, and rezone** – under one roof. The Authority would have the ability to directly construct new housing and issue bonds to finance it, as well as acquire and rehabilitate distressed properties.

Without the profit incentive of private developers, **the SHDA will reinvest all excess proceeds from rents for maintenance and expansion of social housing stock** and other public purposes. It will include deeply affordable units and middle-income units to cross subsidize, and utilize state operating subsidies like project-based housing vouchers. **With a \$5 billion initial capitalization, the SHDA could create or acquire 26,000 new union-built homes.**

New York's Broken Housing System

To build affordable housing today, New York relies on a patchwork of state and federal tax programs, federal, state and local agencies, local zoning frameworks, and a mix of corporate and non-profit developers.

Our current system is cumbersome, not building the affordable housing at the scale we need around the state.

Rather than cut taxes, rezone and hope private developers do the right thing, **the SHDA would allow New York State to build the housing we need**, managed by tenants and the institutions they trust.

[A recent report by Hunter College's Urban Planning department](#) found that the SHDA would enable efficient and equitable housing production in three very different scenarios: a **long-vacant state-owned lot in Brooklyn**, a **suburban tract in Rhinebeck**, and a **private rental in The Bronx** whose tenants want to take ownership collectively.

In the Brooklyn case, per-unit development costs **were projected to be almost \$170,000 less** using SHDA than they would be under the current conditions, **and would be built with union labor**. The SHDA could mean the difference between unbuilt or underwhelming projects and inspiring social housing.

Spending Public Funds Where It Matters

By reducing developer fees, eliminating the need for profit, and relying on public action rather than private finance, **we can spend public funds on low rents for low-income tenants, build with 100% union labor, and invest in clean energy.**

In contrast, 421-a was [both expensive and inefficient](#) – costing New Yorkers \$1.77 billion in forgone tax revenue each year to subsidize private, mostly market-rate, housing.

Permanently Affordable Housing

At least 25% of homes held in trust by the SHDA would be affordable to very-low and no-income households. Unlike housing built with tax incentives like LIHTC, whose affordability and tenant protections expire after 30 years, this housing would stay permanently affordable, allowing tenants to set long-term roots in their communities.

By Workers, For Workers

The SHDA will build, preserve and manage housing using a 100% union workforce. Housing built by the SHDA is for everyone: it is mixed income and affordable to both very low and no-income households, as well as teachers, nurses, social workers, public sector employees and other working class New Yorkers.

Democratically Run

Residents will have control over their building's management, as well as seats on the SHDA board – alongside labor unions and affordable housing practitioners.

Climate Resilient

The SHDA will build and rehab carbon neutral housing, and work with other government bodies to increase the climate resiliency of any communities where it works.

Adaptable to Local Conditions

The SHDA has flexible guidelines, allowing it to focus on local conditions and meet housing needs for every community, from acquiring and rehabilitating aging, deteriorating housing in upstate cities to building new, low-cost housing in rapidly gentrifying areas in New York City.