Building Community Wealth Through Social Housing

Introduction

The popularity of social housing has increased as a viable solution to the persistent U.S. housing crisis as the public becomes aware of the benefits of models such as publicly owned housing, community land trusts, and limited equity cooperative ownership.[1] Popular education tools like the Alliance for Housing Justice's video "Social Housing 101" and real examples from local communities are introducing social housing to millions of Americans looking for effective alternatives to private market housing. **This brief and an accompanying video helps champions of social housing continue the conversation with their bases and the public about one of the key benefits of social housing: building community wealth.**

AHJ Principles of Social Housing

- Socially owned
- Permanently affordable
- Permanently decommodified
- Under community control
- Anti-racist & equitable
- Sustainable
- High quality & accessible
- Tenant security

Community and Individual Wealth

> Community Wealth: "Assets locally and collectively owned or controlled by a community to care for its place and one another. It includes multiple forms of capital — financial, social, intellectual, natural, cultural, and political"
>
> - Democracy Collaborative

Community wealth is related to but distinct from individual or familial wealth. In the U.S., white-led institutions and governments have created policies that build individual and familial wealth among white people while deliberately excluding

[1] Social Housing Models: Public Housing, Community Land Trusts, Limited Equity Cooperatives

Black people. The most commonly understood path to wealth for people in the U.S. is homeownership. Americans are taught that homeownership generates individual wealth that is then passed down to their children, beginning the cycle of generational family wealth. For white families, homeownership was heavily subsidized through federal laws such as the Homestead Act and GI Bill. Communities of color, partly due to their systemic exclusion from systems that generated individual or familial wealth, cultivated centers of communal Black wealth throughout American history and continue to do so today. Unlike individual and familial wealth where resources primarily benefit the nuclear family unit, community wealth values all people in a given neighborhood or region equally, embodying the fundamental belief that everyone deserves happy and healthy lives. Policymaking that centers community wealth requires investments that reflect those values and serve the whole community.

Social Housing Is an Alternative for Communities

Social housing is not a replacement for the system of individual homeownership which will continue to be a common pathway to building individual or family wealth. When communities most impacted by housing injustice organize and choose to pursue additive housing models, these social housing models can fill the gaps the private market leaves.

Communities of color interested in reparative policymaking to redress centuries of discrimination often pursue a both/and approach. Organizers interested in individual wealth-building aim to lower barriers and increase access to homeownership and real estate development while advocating for protections against predatory and extractive real estate practices.

Those pursuing community wealth building through social housing often do so with the following goals in mind:

1. **Resilience:** Community stability in a place to withstand challenges including displacement pressures.
2. **Power:** Assets are stewarded by and for the community and can be leveraged to influence and shape outcomes in a place.
3. **Interdependence:** Builds other forms of capital that are collectively held by the community such as social and political capital.
4. **Financial freedom:** Housing stability allows households to choose other types of financial investments to build individual wealth such as starting a small business or investing.

Social Housing Addresses a Major Root Cause of the Racialized Housing System

The large majority of Americans believe everyone should have safe, dignified housing they can afford and the resources they need to reach their full potential.[2] However, the current system was not designed with these beliefs in mind. The founding premise of America's housing system is privatized property as a commodity to be purchased in the marketplace, as are many other basic human needs like food and health care. Housing as a commodity has become a lightning rod for speculation and wealth-hoarding. Social housing models are designed to address this market failure by removing the profit motive of speculative ownership, instead making housing a collectively community owned asset rather than being bought and sold by individuals or corporations to maximize profit.

Privatized property coupled with systemic racism in government programs and the private market produced long-standing racial inequities in ownership, household wealth, and under-resourced communities. The roots of these inequities can be traced to the racist ideas of who could possess property and who was property when colonizers began displacing indigenous people and enslaving Africans. Early colonizers dehumanized Black and Brown communities, in part, to control, consolidate, and privatize land that white communities could use to build individual and family wealth. Colonization is the origin of today's two-tiered system: one where housing and land are homes and investments for some, and precarious shelter for others.[3] Social housing operates outside of this two-tiered system.

Though many of the explicit forms of racial discrimination in housing have been outlawed, they have been replaced with "color-blind" exclusionary land use policies, predatory financing tactics, and inequitable public investments. These covert policies serve the same end as the overtly racist ones: to displace, extract wealth, and disproportionately limit the housing and wealth building choices of people of color,[4] while also harming lower-income white families in today's economy.[5] Social housing is designed to provide stability in the face of displacement pressure and resilience to predatory real estate practices.

Social Housing Is Not Reparations but It Has Roots in the Racial Justice Movement

Social housing addresses some of the root causes of our inequitable housing system, but not all; nor is it a replacement for comprehensive reparations to descendants of

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[2] Housing Narrative Lab, "Housing We Can Afford," 2026

[3] Race Forward and Government Alliance for Race and Equity, "Root Causes of Housing and Land Injustice", 2024

[4] Keeanga-Yamahtta Taylor, Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership (Chapel Hill: University of North Carolina Press, 2019), 5.

[5] McGhee, H. (2021). The Sum of Us: What Racism Costs Everyone and How We Can Prosper Together. One World.

victims of U.S.-supported genocide, slavery, and colonialism. But it is a model leaders of the racial and social justice movement have long championed, and it could be an important piece of reparative legislation that aspires to create community wealth.

The first legally-recognized community land trust was forged in the American South during the 1960s to ensure Black communities would own the land, while individual farmers could own homes, farm, and build wealth upon it.[6] Black cooperatively owned land and housing surged in popularity during Reconstruction and Civil Rights eras as the struggle for political and civil rights required economic independence and large Black organizations supported cooperative economics.[7] Black-led community land trusts continue to thrive and are a growing model of social housing in the U.S.[8]

Social Housing Promises More Than Affordability, It Builds Community Wealth and Power

Anyone who has had a landlord raise their rent or been displaced when their building is sold viscerally understands the lack of power tenants hold in the current market-based housing system. A system supportive of social housing shifts power from investors and markets to the people and communities who depend on housing. As a steward of the public good, government has a responsibility to support this system through funding, policy, and direct development of social housing.

Cooperatives, community land trusts, and publicly owned housing provide proven models for building community wealth through collective or accountable public ownership. By keeping housing affordable and reducing the extraction of wealth from communities, these models create greater financial stability and freedom allowing residents to invest in other forms of financial wealth-building.

Social housing also builds social, cultural, political, and natural capital by strengthening community relationships, increasing residents' power to shape outcomes in their communities, and building long-term resilience in the face of displacement pressures. Ultimately, social housing is not simply an affordable housing strategy—it is a way to build community wealth, shift power, and create lasting community stability.

Acknowledgements

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[6] Roots and Branches: A Gardener's Guide to the Origins and Evolution of the Community Land Trust
[7] Collective Courage: A History of African American Cooperative Economic Thought and Practice
[8] The Black History of Community Land Trusts: A Tool for Creating Black Futures