

## City, construction group launching \$400M affordable housing fund

By [Eddie Small](#) | March 08, 2024 12:30 PM an hour ago



Gary LaBarbera and Mayor Eric Adams. Bloomberg

The Adams administration is partnering with a major construction union and a Midtown-based real estate investment firm to launch a more than \$400 million fund supporting affordable housing in the city.

Mayor Eric Adams has joined with the Building and Construction Trades Council, run by President Gary LaBarbera, and Cirrus Real Estate Partners on the initiative, his administration announced Friday. The trades council and Cirrus have initially pledged an investment of more than \$100 million, with the trades council money coming from 11 union pension funds. Cirrus expects to raise more than \$400 million for the initiative overall.

The funds are specifically meant to help build housing that would be affordable to trades council members, who typically work as plumbers, fireproofers or in other areas of construction.

Projects the fund invests in should be for New Yorkers earning between 80% and 140% of the [area median income](#), meaning a family of three would have to earn between \$101,680 and \$177,940 per year to spend no more than about one-third of their income on rent. The projects should also be close to transit, environmentally friendly and built with union labor.

Opportunities to support such affordable housing include partnering with the city's Department of Housing Preservation and Development on mixed-income projects and building projects on city-owned land.

This is the latest effort from Adams to boost housing production in the city and meet his moonshot goal, [announced in December 2021](#), of building 500,000 new homes over the next decade. His administration also hopes to get its [City of Yes housing plan](#) through the City Council this year. It aims to increase New York's housing supply through measures including eliminating parking requirements and permitting dense neighborhoods to have taller towers.

The administration has been pushing for more action on housing from Albany as well, namely coming up with a replacement for the expired 421-a affordable housing tax break. Gov. Kathy Hochul's [latest effort](#) to replace the program includes having the Building and Construction Trades Council and the Real Estate Board of New York reach a deal on labor standards for eligible projects. The two sides recently agreed on a minimum wage of \$40 per hour for construction workers starting in 2026. This marks significant progress, although there are still several hurdles to overcome.

Cirrus has offices in New York and Florida, and the firm lists on its website a \$105 million loan for a Manhattan office building and a \$46 million loan for a Manhattan condo building as two of its recent transactions, although it does not specify the addresses for these projects.

Link: <https://www.crainsnewyork.com/real-estate/eric-adams-building-and-construction-trades-council-launching-more-400m-affordable>