

# ***DOCUMENTS & WEBSITES ON AFFORDABLE HOUSING & THE RELATIONSHIP TO PROPERTY VALUES***

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## Websites & Documents on Affordable Housing & Relationship to Property Values

### **WEBSITES & WEB DOCUMENTS**

**THE HOUSE NEXT DOOR** – Innovative Housing Institute by Joyce Siegel and Grier Partnership (Rev. 2001)

<http://www.inhousing.org/housenex.htm>

Web resource includes summary of findings from neighborhood surveys. Surveys include quantitative results in price behavior for Fairfax County, VA & Montgomery County, MD.

**AFFORDABLE HOUSING AND ITS RELATIONSHIP TO NEIGHBORING PROPERTY VALUES** – McLean County Regional Planning Comm., Illinois (1998)

[http://www.mcplan.org/c\\_p/brochures/Aff\\_Hous-std.pdf](http://www.mcplan.org/c_p/brochures/Aff_Hous-std.pdf)

Brochure includes bibliography featuring how well designed affordable housing units benefit neighborhoods and communities without lowering property values.

**WHY AFFORDABLE HOUSING DOES NOT LOWER PROPERTY VALUES -** Habitat for Humanity International by Homebase / The Center For Common Concerns, San Francisco (1996)

<http://www.habitat.org/how/propertyvalues.html>

Report includes summary of the issue plus annotated bibliography of studies where findings support the assertion.

**WHY AFFORDABLE HOUSING DOES NOT LOWER PROPERTY VALUES /** Non-Profit Housing Association of Northern California / S.F., CA: NPH (1994?)

<http://www.nonprofithousing.org/actioncenter/toolbox/acceptance/affhousingpropvalues.pdf>

Tool Box issue paper for use by affordable housing advocates. Includes facts vs. common attitudes analysis and features the Habitat for Humanity International bibliography of studies on the topic (cited above).

### **REPORTS & ARTICLES**

**MYTHS AND FACTS ABOUT AFFORDABLE AND HIGH DENSITY HOUSING /** California Dept. of Housing and Community Development, Housing Policy Development Division – Sacramento, CA: California Planning Roundtable, 2002

<http://www.cproundtable.org/cprwww/docs/mythsnfacts.pdf>

In the past 30 years, California's housing prices have steadily outpaced its residents' incomes. Housing production hasn't kept up with job and household growth within the State. The location and type of new housing does not meet the needs of many new California households. As a result, only one in five households can afford a typical home.

## **Websites & Documents on Affordable Housing & Relationship to Property Values**

**LOCKED OUT: 2004 - California's affordable housing crisis** / California Budget Project (CBP) -- Sacramento, CA: CBP, 2004

Also available full text via the World Wide Web:

<http://www.cbp.org/2004/lockedout2004.pdf>

Introduction: California continues to suffer from a lack of housing that is affordable for even middle-income families. Workers face long commutes between housing they can afford and their jobs, and the high cost of housing leaves families with less income to spend on other necessities. The California Budget Project (CBP) has previously documented California's housing crisis. These reports found that, while renters faced the greatest affordability challenges, high housing costs had pushed homeownership out of reach for many families. - (p. 1)

**FROM NIMBY TO GOOD NEIGHBORS: Recent studies reinforce that apartments are good for a community** / National Multi Housing Council; National Apartment Association -- Washington, DC: NMHC/NAA, 2003

Available full text via the World Wide Web:

<http://www.nmhc.org/Content/ServeFile.cfm?FileID=3765>

"Community leaders and public policy planning officials agree that the key to growing smarter is to develop more high density housing, such as apartments. Developers eager to meet these housing needs are often thwarted, however, by misguided local not-in-my-backyard (NIMBY) activists."

**ANTI-NIMBY TOOLS** / Rawson, Mike / California Affordable Housing Law Project -- Sacramento, CA: California Housing Law Project, 2003

Also available full text via the World Wide Web:

<http://www.housingadvocates.org/default.asp?ID=167>

Historically, local governments have had broad discretion in the approval of residential development. However, local parochialism and prejudices often result in policies and practices that exclude the development of affordable housing, thereby exacerbating patterns of racial and economic segregation and creating a substantial imbalance of jobs and housing. In recent years, several laws have been adopted which place important limitations and obligations on local decision-makers in the area of affordable housing.

**LOCKED OUT OF A HOUSE** / Kotkin, Joel -- Los Angeles, CA: LA Times, 2002  
Opinion Section - September 22, 2002

Also available full text at the World Wide Web:

<http://www.joelkotkin.com/Demographics/LAT Locked Out of a House.htm>

For generations, California's special allure has rested on the notion that non natives, or at least their children, can work their way into the state's middle class. At the core of this aspiration is homeownership. Yet today, this promise is threatened as never before. The problem is not that the state's upwardly mobile first and second generations of immigrants, roughly half of whom are Latinos, are not hard-working or ambitious enough. Rather, they are entering a housing marketplace incapable of meeting their demands at reasonable prices.

## **Websites & Documents on Affordable Housing & Relationship to Property Values**

### **EFFECTS OF MIXED-INCOME, MULTI-FAMILY RENTAL HOUSING DEVELOPMENTS ON SINGLE-FAMILY HOUSING VALUES** / Pollakowsky, Henry O.; Ritchay, David; Weinrobe, Zoe -- Cambridge, MA: Massachusetts Institute of Technology (MIT) – Center for Real Estate, 2005

Also available full text via the World Wide Web:

[http://web.mit.edu/cre/research/hai/pdf/40B\\_report\\_HAI\\_0405.pdf](http://web.mit.edu/cre/research/hai/pdf/40B_report_HAI_0405.pdf)

With housing affordability remaining a major issue in the Boston metropolitan area, research conducted by the MIT Center for Real Estate's new Housing Affordability Initiative decisively rejects the view held by many that mixed-income, high-density rental developments negatively impact nearby single-family property values. This report finds that for seven case studies in towns in the Boston metropolitan area there are no significant differences in house price changes over time regardless of whether the homes were close to the mixed-income (40B) developments or elsewhere in the town.

### **EFFECTS OF FEDERALLY ASSISTED HOUSING PROGRAMS ON NEIGHBORING RESIDENTIAL PROPERTY VALUES: [A review of existing research]** / Galster, George C. -- Washington, DC: N.A.R. - National Center for Real Estate Research, 2002

Also available via the World Wide Web:

[http://www.culma.wayne.edu/pubs/galster/NAR\\_report.pdf](http://www.culma.wayne.edu/pubs/galster/NAR_report.pdf)

There appears to be no consistent impact of federally assisted housing on nearby residential property values; impacts are contingent on context, concentration, and scale. Studies using a new research method that overcome past shortcomings demonstrate that impacts can be positive, neutral, or negative, depending on the characteristics of the neighborhood in question, the concentration of assisted housing units, and the scale of the assisted housing facility.

### **LOW INCOME HOUSING TAX CREDIT HOUSING DEVELOPMENTS & PROPERTY VALUES** / Green, Richard K.; Malpezzi, Stephen; Seah, Kiat-Ying -- Madison, WI: Univ. of Wisconsin, Urban Land Economics Research, 2002

Available full text via the World Wide Web:

[http://www.wheda.com/cat\\_tca/uw\\_study.pdf](http://www.wheda.com/cat_tca/uw_study.pdf)

Executive Summary: "To this point, our results for Wisconsin are generally consistent with results in other studies: we have not been able to find evidence that Section 42 developments cause property values to deteriorate. The exception is Milwaukee County, where properties that are distant from the developments seem to appreciate more rapidly, although the magnitude of the effect is small. We have found no evidence of an impact in Waukesha and Ozaukee, and find evidence that properties in Madison near Section 42 developments appreciate more rapidly." - (p. 4).

## **Websites & Documents on Affordable Housing & Relationship to Property Values**

### **DIFFERENTIAL IMPACTS OF FEDERALLY ASSISTED HOUSING PROGRAMS ON NEARBY PROPERTY VALUES: A Philadelphia case study /**

Wachter, Susan M.; Lee, Chang-Moo; Culhane, Dennis P -- Washington, DC: Fannie Mae Foundation, 1999

Housing Policy Debate – V. 10, no. 1, p. 75-93

Available full text via the World Wide Web:

[http://www.fanniemaefoundation.org/programs/hpd/pdf/hpd\\_1001\\_lee.pdf](http://www.fanniemaefoundation.org/programs/hpd/pdf/hpd_1001_lee.pdf)

[The authors] analysis shows modest to slightly negative impacts of public housing and Section 8 rental assistance on local property values after controlling for neighborhood characteristics. In contrast, Federal Housing Administration insured housing, Section 8 New Construction, and public housing homeownership programs have positive effects. Although the study involved just one city, Philadelphia, it challenges the common negative perception and provides interesting insights into the complicated relationship that multifamily has on its surrounding housing markets.

### **IN THE WAKE OF DESEGREGATION: Early impacts of scattered-site public housing on neighborhoods in Yonkers, New York /**

Briggs, Xavier de Sousa; Darden, Joe T.; Aidala, Angela / American Planning Association -- [Chicago, IL] American Planning Association, 1999

Journal of the American Planning Association - Vol. 65, no. 1 (Winter 1999) p. 27-49

Available for purchase via the World Wide Web:

<http://www.planning.org/japa/index.htm>

This study examines the early effects of seven scattered-site public housing developments on the receiving neighborhoods in Yonkers, New York, where opposition to court-ordered segregation was particularly hostile during the last decade. Happily reports by homeowners showed no signs of neighborhood withdrawal or "flight". Moreover, while effects on particular "panic sales" are certainly possible, none of the controversial sites show generalized effects on home prices.

### **LOW-INCOME HOUSING IN OUR BACKYARDS: What happens to residential property values? /** MaRous, Michael S. -- Chicago, IL: Appraisal Institute, 1996

Appraisal Journal, January 1996

See this article in: Urban Land Institute's Low Income Housing: Selected References; ULI Infopacket No. 351

Abstract: A market analysis of four very low-income family housing developments in four growing Chicago suburban market areas was conducted. Despite expectations to the contrary, the evidence indicated that low-income housing does not necessarily lower the value of surrounding residential property or curb further successful market development in the immediate area.

## **Websites & Documents on Affordable Housing & Relationship to Property Values**

### **RELATIONSHIPS BETWEEN AFFORDABLE HOUSING DEVELOPMENTS AND NEIGHBORING PROPERTY VALUES: An Analysis of BRIDGE Housing Corporation Developments in the San Francisco Bay Area / Cummings, Paul M.**

-- Berkeley: University of California, Berkeley Institute of Urban and Regional Development (IURD), 1993.

[IURD Working Paper No. 599](#)

Available for purchase via the World Wide Web:

<http://www-iurd.ced.berkeley.edu/srcpubs.htm>

## **MONOGRAPHS & RELATED MATTER**

### **THE HOMEVOTER HYPOTHESIS: How local values influence local government taxation / Fischel, William A -- Cambridge, MA: Harvard University Press, 2001**

Table of contents & purchase information at the World Wide Web:

<http://www.hup.harvard.edu/catalog/FISHOM.html>

Just as investors want the companies they hold equity in to do well, homeowners have a financial interest in the success of their communities. If neighborhood schools are good, if property taxes and crime rates are low, then the value of the homeowner's principal asset--his home--will rise. Thus, as William Fischel shows, homeowners become watchful citizens of local government, not merely to improve their quality of life, but also to counteract the risk to their largest asset, a risk that cannot be diversified.

### **HOUSING WEALTH EFFECTS: Housing's impact on wealth accumulation, wealth distribution and consumer spending / Belsky, Eric; Prakken, Joel / National Center for Real Estate Research -- Chicago, IL: National Association of Realtors (N.A.R.), 2004**

Also available full text via the World Wide Web:

[http://www.realtor.org/Research.nsf/files/2004%20Housing%20Wealth%20Effects%20final.pdf/\\$FILE/2004%20Housing%20Wealth%20Effects%20final.pdf](http://www.realtor.org/Research.nsf/files/2004%20Housing%20Wealth%20Effects%20final.pdf/$FILE/2004%20Housing%20Wealth%20Effects%20final.pdf)

Summary: Over the past 50 years, housing expenditures have accounted for more than one fifth of the nation's gross domestic product. But housing's influence on the economy extends beyond its direct contribution. Careful analysis reveals that housing also influences the level of consumer spending. When housing wealth increases, consumers spend more. Indeed, they spend even more freely when capital gains from home sales and home equity borrowing escalate in tandem with rising home values. In fact, housing's indirect contributions to economic growth through consumer spending can be sizable. Strong home price appreciation, record home sales and unprecedented levels of borrowing against home equity spurred housing's contribution to consumer spending to new heights in 2001, 2002, and 2003.

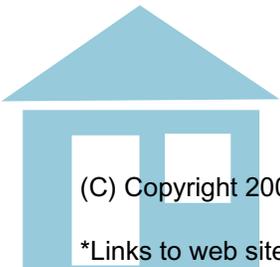
## Websites & Documents on Affordable Housing & Relationship to Property Values

**PROPERTY TAX LIMITATIONS AND MOBILITY: The lock-in effect of California's Proposition 13** / Wasi, Nada; White, Michelle J -- Cambridge, MA: National Bureau of Economic Research (NBER), 2005  
NBER Working Paper; 11108

Also free full text for governmental agencies via the World Wide Web:

<http://www.nber.org/papers/w11108>

Proposition 13, adopted by California voters in 1978, mandates a property tax rate of one percent, requires that properties be assessed at market value at the time of sale, and allows assessments to rise by no more than 2% per year until the next sale. In this paper, we examine how Prop 13 has affected the average tenure length of owners and renters in California versus in other states. We find that from 1970 to 2000, the average tenure length of owners and renters in California increased by 1.04 years and .79 years, respectively, relative to the comparison states. We also find substantial variation in the response to Prop 13, with African-American households responding more than households of other races and migrants responding more than native-born households.



## **Selected California Libraries Contact List**

*California Department of Housing and Community Development  
Housing Resource Center - HCD/HRC  
1800 Third Street, Rm. 430, Sacramento, CA 95814  
(916) 322-9648; [mkauffma@hcd.ca.gov](mailto:mkauffma@hcd.ca.gov)*

*California State Library - General Collection  
Library and Courts Building, 914 Capital Mall, Rm. 300  
Sacramento, CA 95814 - (916) 654-0261  
<http://www.library.ca.gov>*

*California State Library - Government Documents  
Library and Courts Building, 914 Capital Mall, Rm. 304  
Sacramento, CA 95814 - (916) 654-0069  
<http://www.library.ca.gov>*

*UC Berkeley - Environmental Design Library  
Moffitt Library, 5th floor, UC Berkeley, 94720  
(510) 642-4818; [envi@library.berkeley.edu](mailto:envi@library.berkeley.edu)*

*UC Berkeley - Institute of Government Studies  
Library, 109 Moses, UC Berkeley, 94720  
(510) 642-1472; <http://www.lib.berkeley.edu/>*

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