

## Neighborhoods not hurt by housing for needy

**Daniel Massey**

Nov 6, 2008

A new report debunks the popular belief that housing for the homeless and other needy New Yorkers depresses the value of neighboring homes and properties.

The study released Thursday by the Furman Center for Real Estate and Public Policy at New York University examined the impact of 123 supportive housing developments over an 18-year-period. It found that the value of properties within 500 feet of such supportive housing does not drop over the long term when that housing is added to the neighborhood.

Supportive housing—which grew out of attempts in the late 1970s to provide services to mentally-ill New Yorkers in need of housing—is a type of affordable housing that provides on-site services to formerly homeless individuals and families, people with HIV/AIDS or physical disabilities, ex-offenders and young people who age out of foster care, among others. Some 14,000 units in 220 developments have been built since 1990, but a shortage of land, combined with community opposition, have created obstacles for a planned 9,000 additional units across the five boroughs.

“Neighbors often resist proposed supportive housing developments in their community, expressing fears that the housing will have a negative impact on the neighborhood,” said Vicki Been, director of the Furman Center.

Using New York City Department of Finance sales data, the study compared prices of properties within 500 and 1,000 feet rings around a supportive housing development with similar properties in the same census tract but more than 1,000 feet away, before and after the housing opens.

Prices of properties 500 to 1,000 feet from the supportive housing may fall somewhat while buildings are being built and as they open, but then steadily increase relative to other neighborhood properties. The study suggests this may be a result of the market realizing fears about the supportive housing turned out to be unfounded.

The city and state are required to notify the public about proposed supportive housing developments, a measure which often sets off opposition by local community members.

“Our findings do counter fear that supportive housing will lead to sustained neighborhood decline,” said Ingrid Gould Ellen, co-director of the Furman Center.