

Housing's Impact: Need For New Research **by Joe Lamport** **22 Feb 2007**

Four seemingly disconnected announcements made news in housing in February. First, the city announced it would open the waiting list for [Section 8](#) that has been closed for well over a decade. The long lines at housing authority offices for applications reflect the great need for housing help; the 22,000 vouchers will not come close to addressing it. Second, Starrett City, a housing complex in Brooklyn built with financing provided by the state's Mitchell-Lama program, was sold for \$1.3 billion (the sale is not final and requires state and federal approval). That was barely a month after Stuyvesant Town-Peter Cooper Village in Manhattan, a large complex of mainly rent stabilized apartments set a record for real estate sales when it fetched \$5.4 billion. Third, [City Council Speaker Christine Quinn](#) announced she would pursue a tax credit for renters and passage of a new law to allow tenants to sue their landlords in housing court for harassment.

The fourth announcement came from the MacArthur Foundation and sort of links all of these things together: The foundation will commit \$25 million over five years to finance housing research – specifically aimed at shifting the debate on housing. The research would help advocates, policymakers, politicians and others develop a larger understanding of why housing is so important ---and, consequently, why public policy on housing requires a new sense of urgency.

Housing Research Gets a Big Boost

In 1968, an advisory panel to then president Richard Nixon recommended creating a housing allowance program that would help low-income families pay their rents. It seemed a risky idea to many people. Among many concerns, one stood out: It would drive up rents – landlords would just raise rents if government helped people pay.

But the Experimental Housing Allowance Program was a success. “There was a lot of debate at the time,” said Ingrid Ellen, director of the Furman Institute for Real Estate at New York University. But research showed “there wasn’t much of an effect on housing prices. That research is probably the best research out there to this day, and it paved the way for the Section 8 program.”

Doing more research is critical to understand just how housing impacts people’s lives and to develop new housing policy. And now is the time to undertake new research, said MacArthur Foundation President Jonathan Fanton when he announced the foundation would spend \$25 million to fund research on housing issues over the next five years.

“It seems to me that a policy ‘window’ is opening,” Fanton told an avid audience when he announced the new initiative. “It is easier now than at any time in recent memory to imagine that critical financial and regulatory barriers to preserving and improving affordable housing will be overcome.”

More research would help everyone working on housing issues modify existing efforts and design innovative new approaches, Fanton said. It probably was not coincidental that he announced the initiative in New York City, and he pointed to the city’s housing acquisition fund, \$200 million raised by the city to help finance affordable housing efforts, as a model new approach. The MacArthur Foundation has committed \$5 million to the fund.

But the foundation’s effort is aiming for a more profound shift in how people think about housing.

“We need a new theory about how housing matters, and why it is a critical path toward other individual and community improvements to which we aspire,” Fanton said. “And that new theory must be more than a field of dreams; it must be built on high quality research that yields evidence to persuade across the political spectrum.”

“Better and more knowledge about housing as it relates to schools, jobs, health, and economic growth will significantly change attitudes among policymakers and the public at large.”

The foundation’s announcement thrilled researchers.

“That’s outstanding, very exciting news,” said Dennis Culhane of the University of Pennsylvania, whose research is frequently cited in housing policy circles. Last year, when the city and state announced the third New York/New York agreement to build supportive housing, Culhane’s research showing that such housing is very cost effective was a persuasive piece.

“Housing is one of the most understudied issues in social policy,” Culhane continued. “It’s primarily an issue of resources. Health care and medicine has the National Institutes of Health, the physical sciences have the National Science Foundation, but the social sciences have very limited resources within NSF.”

Culhane went on to say that although the U.S. Department of Housing and Urban Development finances housing research, most of its research budget is eaten up producing its [annual housing vacancy survey](#).

Research is critical, Ellen said, to not only rethinking housing policy but to making current housing policy efficient and effective.

“Research can only point our policies to be more effective,” she said. “It’s almost irresponsible to spend money on policies that don’t have the effects we think they’ll have.”

The MacArthur Foundation is clearly seeking to push research of the connections between housing and family and community health, broadly speaking, but there are lots of areas ripe for study, a panel including the city’s housing commissioner said after Fanton’s remarks.

“There has been a fundamental shift in the challenge of abandonment to the challenge of affordability,” said Shaun Donovan, the city’s housing commissioner. “The challenge for housing policy has more and more shifted away from this problem of urban revitalization to the fundamental challenge of housing affordability. The more the research can be focused on that, the better.”

“We don’t really know much about the role of housing in the lives of children and families and communities,” said Sandee Newman, a researcher at the Institute for Policy Studies at Johns Hopkins University. “To put it another way, we don’t really know how improving housing carries with it benefits above and beyond the value of the housing itself.”

Newman divided housing research into five categories:

- Physical quality of housing
- Crowding
- Affordability
- Subsidized housing
- Home ownershi

“The good news is that in the last ten to 20 years we’ve started to build that base of knowledge,” she said. “The bad news is we have a long way to go.”

Given the financial means, researchers pointed to a number of areas for new research efforts.

“There are lots of areas where we could use a lot more evidence in ways that we could shape policy,” Ellen said. For example, “we don’t really what drives segregation” in housing.

“We’d like to know if we just provided someone with a voucher with housing location assistance, maybe we can open up new worlds to them.... We have no idea if (location assistance) makes any difference.”

The MacArthur Foundation and many researchers are clearly interested in knowing more about the fundamental impact housing has on families, children and entire communities. How important, for example, is housing to a child’s success at school? Does housing stability affect people’s health?

“That is precisely the direction it should go in because we all know from a common sense perspective that we wouldn’t live just anywhere or have our children randomly assigned to neighborhoods,” Culhane said. “We know intuitively that place matters. But social research has not really figured out how to elucidate those impacts.”

And Culhane said the dramatic impacts on policy that the foundation is seeking are clearly possible.

“Behavior is a function of the person and the environment, but virtually all the research today has been on the person and not the environment,” he said. “And I think that’s partly because the tools and the data we have have been very limited.

“Part of what the challenge will be for this new generation of research will be identifying new types of data, new methods of measurement and things that are longitudinal in nature that show impact over a lifetime.”

Joe Lamport is the assistant director of the [City-Wide Task Force on Housing Court](#), a coalition of community housing organizations.