

Dear Friends,

We hope your new year is off to a great start. We are busier than ever at the Furman Center, and want to share with you some of what we accomplished last semester and preview a few of the exciting new studies we are working on now.

As the subprime lending and mortgage foreclosure crisis caught the nation's attention, the Furman Center was called upon to provide analysis on how the problem has affected New York City, and to help think through appropriate policy responses. Over the past few months, our analysis on the racial and geographic disparities in subprime lending in NYC was featured by the [New York Times](#) and we presented initial research findings on the impact that foreclosures have on property values in New York City neighborhoods at HPD's Foreclosure Summit. We have also been working with Congresswoman Nydia Velazquez's office to think through comprehensive, long-term policy solutions, and later in the spring we will convene a small group of academics and practitioners for an agenda-setting conference that will lay the groundwork for future research on the effectiveness of various programs and interventions being proposed today.

This fall, we completed our research on how inclusionary zoning programs impact the prices and production of market rate housing in the San Francisco and Boston regions, and found mixed results—evidence that IZ programs are not a one-size fits all policy solution and deserve future study. The full paper is available for download on our website, and the policy brief will be released next month.

This past semester, we also finished an evaluation of the neighborhood impact of Low income housing tax credit developments in New York City, where 42,077 units of LIHTC housing were newly constructed or rehabilitated between 1987 and 2003. We find that the construction or rehabilitation of LIHTC developments appears to increase the value of nearby properties, presumably because these key housing investments have made their neighborhoods safer and more desirable places to live. Moreover, these impacts appear to grow over time.

We also completed our initial research on retail development in low-income communities, specifically focusing on the barriers to locating ground floor retail in mixed-use, subsidized housing projects. In November, we convened a group of experts to discuss our preliminary findings and used their substantive feedback to complete our report, which will be released next month.

Later this spring, we will release the 2007 edition of our annual State of New York City's Housing and Neighborhoods report. This year, in addition to the dozens of indicators on demographics and neighborhood health that we provide for the City and its 59 community districts, the report will also include an in-depth analysis of the evolution of mortgage lending in the City over the past decade, and specifically how access to credit has changed for different segments of the population.

As always, we are eager to get your feedback and ideas on our work – don't hesitate to send us an email or give us a call. We wish you all a happy and productive new year!

Vicki Been &
Ingrid Gould Ellen

Spring Research

This spring we continue our work evaluating the effects different kinds of supportive housing have on the value of surrounding properties, as well as on such determinants of neighborhood quality as crime and building activity. We have begun to meet and share preliminary findings with stakeholders, and believe that, when complete, this analysis will be an important contribution to the controversy and public process that surrounds the approval of supportive housing facilities.

This semester we are also moving forward with our ambitious neighborhood change research which asks how and why certain low-income neighborhoods in cities around the country changed during the 1990s, and explore the consequences for the residents of those neighborhoods. Specifically, our research will examine four main sets of questions: Who moves in and why? Who moves out and why? What other changes occur in economically-gaining neighborhoods? What different types of change occurred in low-income neighborhoods during the 1990s?

We continue our joint work on schools and housing with NYU's Institute for Education and Social Policy this spring by undertaking a study of the academic performance of children living in New York City's public housing developments. We will compare their academic performance as well as the characteristics of the schools they attend to those of other poor children who do not live in public housing, and we will examine whether children living in certain public housing developments – specifically those where extensive youth services are offered and those in higher income neighborhoods – fare better than children living in other public housing developments.

Finally, this semester we will get underway with a new project that asks the question: why do some underdeveloped lots remain underdeveloped in strong markets? We will explore the characteristics of the properties, owners, neighborhoods, and regulatory regimes that affect an owner's decision about whether and when to develop or redevelop underused land. Cities across the United States are experimenting with a variety of inducements to encourage owners of underused land – land that is vacant, filled with abandoned structures, or developed far below its zoning capacity – to put that land to more productive use.

Conferences & Honors

This fall, we were honored to be invited to present our research at a number of competitive academic conferences, including: the Association for Public Policy Analysis and Management, the Lincoln Institute for Land Policy, the Association of Collegiate Schools of Planning, and the National Inclusionary Housing Conference.

Furthermore, we were very excited to receive national recognition by the National Academy of Public Administration, which has selected Ingrid Gould Ellen's paper "Disentangling the Racial Test Score Gap: Probing the Evidence in a large Urban District," to receive the first annual Wilder Award for Scholarship in Social Equity. We are also very proud to report that Ingrid Gould Ellen and Furman Center-affiliated faculty Kathy O'Regan have been invited to become Fellows at the prestigious Weimer School of Advanced Studies in Real Estate and Land Economics.

Furman Center in the News

We continue to value our role as an objective source of data and analysis for the public. Below is a sampling of articles that have featured Furman Center findings or analysis over the past few months:

- [*Filling New York's "Vacancies"*](#): in this Gotham Gazette article, Vicki Been comments on tools to promote density in the City
- [*Unaffordable NY: Tough Choices at \\$150,000*](#): Crain's New York Business features Furman Center analysis to demonstrate the loss of affordable housing in the City
- [*Housing Crisis Extends to the Rental Market*](#), the New York Sun relies on our State of the City analysis to demonstrate the recent loss in affordable units in New York City.
- [*Being Able to Live Where You Work*](#): USA Today uses analysis from the State of the City report and interviews Ingrid Gould Ellen
- [*What Market Slump?*](#): the New York Times features Furman Center analysis of subprime lending data in Manhattan.
- [*No Defense Against Foreclosure*](#): Crain's New York Business features Furman Center analysis of subprime lending and foreclosures.
- [*Housing Program on Track Amid Financing Concerns*](#): the New York Times uses findings from the 2005 State of the City to put the Mayor's New Marketplace Plan in context.
- [*Subprime in Black and White*](#): this New York Times editorial relies on Furman Center analysis in their call for lawmakers to investigate potential discriminatory lending practices.
- [*A Coalition of Homeowners*](#): El Diario's editorial on racial disparities in subprime lending draws from Furman Center research.
- [*Study Finds Black New Yorkers More Likely to Get Subprime Loan*](#): NY1 profiles Furman Center research and interviews Research Fellow, Solomon Greene on the implications of racial disparities in subprime lending.
- [*FDNY Union May Put Pension Cash into Affordable Apartments*](#): The New York Daily News features Furman Center research on the loss of affordable housing
- [*Racial Disparities Found Among New Yorkers With High-Rate Mortgages*](#): The New York Times features the Furman Center's analysis of new mortgage lending data and the racial disparities it reveals.
- [*Neighborhood Watch*](#): New York Magazine uses the Furman Center's State of the City to build its profiles of different neighborhoods' risk factors.
- [*Taking Stock of New York's Housing*](#): the Gotham Gazette and its readers ask Furman Center Directors Vicki Been and Ingrid Gould Ellen questions about housing trends in NYC during an online chat.
- [*Bloomberg Radio*](#) talks with Ingrid Gould Ellen about the meaning and impacts of New York City's low homeownership rate.
- [*Guests in Own Homes's: NYC's Low Owner Rate*](#): the New York Post asks Ingrid Gould Ellen what NYC's homeownership trends means for the City

Events

This fall, we focused our Housing and Land Use Breakfast series on developing and maintaining green space. Using Furman Center research on the impacts of community gardens as a starting off point, we explored the land use and development controversies that surround the construction and maintenance of open space in New York. Featured panelists included: Adrian Benepe, Commissioner, NYC Dept of Parks & Recreation; Albert Butzel, President, Friends of Hudson River Park; Christian DiPalmero, Executive Director, New Yorkers for Parks; and Holly Leicht, Associate Commissioner, NYC Dept of Housing Preservation and Development.

In coordination with the Fair Housing Justice Center, this October we sponsored a screening of *Brick by Brick: A Civil Rights Story*, which chronicles the history of housing segregation in Yonkers and the federal court case that was brought to challenge racial discrimination in Yonkers' housing and schools. The screening was followed by a panel discussion on the prevalence of housing discrimination today and the role legal challenges can play in redressing them.

This spring, our policy breakfast series, *Life After Mitchell-Lama: Middle-Income Housing in NYC*, will explore the fate of the middle-class in an increasingly unaffordable city, evaluate the success of past middle-income housing programs, and ask what can be done by the public and private sectors to preserve and create housing for New York's middle-class. These breakfasts will be held on March 12th and April 9th.

Staff & Faculty

The Furman Center is grateful to have a talented, dynamic group of staff, students and affiliated faculty. The more than 30 Law and Wagner students that work with us each semester are the lifeblood of the center.

Thanks to the generous sponsorship of the NYC Housing Partnership, this January we established the Future Leaders in Community Development Fellowship, in honor of seven of the affordable housing developers who have been with the Housing Partnership for the 25 years since its founding. We are thrilled to announce that the following students have accepted fellowships:

- Andrew Dansker (Law '09), *Hudson Companies Fellowship*
- Michael Gedal (Wagner Ph.D. candidate), *Seavey Organization/BlueSea Development Company Fellowship*
- Peter James Kralovec (Wagner '08), *L & M Equity Participants Fellowship*
- Carissa Mann (Law '09), *Full Spectrum Fellowship*
- Rachel Meltzer (Wagner Ph.D. candidate), *Bluestone Organization Fellowship*
- Keren Mertens (Wagner Ph.D. candidate), *Procida Realty and Construction Corporation Fellowship*
- Ben Winter (Wagner '09), *Briarwood Organization Fellowship*

Unfortunately, we are losing one of our stars this spring. In January, Jenny Schuetz completed her research fellowship with the Center and assumed an Associate Professorship in Economics at City College. Jenny was a tremendous asset for the Center and contributed a great deal, including leading our research on Inclusionary Zoning and foreclosure impacts. We wish her luck at City College and look forward to opportunities for future collaboration.