

SUPPORTIVE HOUSING FACES DOWN ROUTINE OPPOSITION

Neighbors tend to be wary of projects for special-needs residents, but backers say this housing is essential -- and may even raise property values. > *By Mike Reicher*

Before their potential new neighbors ever arrived, some tenants at the Astoria Houses, a public housing complex in Queens, hardly planned to roll out the welcome wagon. The 50 mentally disabled homeless people who could move in across the street were inspiring dismay, not acceptance.

One Astoria Houses resident of three decades, Dolores Battey, 50, herself works with mentally disabled people at a major human services agency, where she is a short-term case manager. She said the mentally disabled "will eventually wander off course" and threaten residents at her complex.

Former longtime tenant Sandra Grady, 47, who was visiting her sister at the Houses, said she was concerned about the broader community. She pointed out that the supportive housing development might sap the equity of the new condos next to it. "That's not fair, I think it's going to bring their values down," Grady said.

City Councilman Peter Vallone Jr., who represents Astoria, also vehemently opposed the proposal, which was rejected in December by a 35-1 vote of Community Board 1. "There's no reason for myself or anyone else to be subjected to 50 mentally ill homeless people," Vallone said.

Developers of supportive housing – subsidized, service-rich residences for a variety of people at risk for homelessness, from youths aging out of foster care, to people living with HIV/AIDS, to substance abusers or ex-offenders – are used to an automatic "not in my back yard" reaction. Residents' objections are often a given at community board meetings around the city when nonprofit organizations propose new supportive housing developments. In light of the Bloomberg administration's expressed commitment to keep building these projects, however, the trend toward supportive housing expansion continues – and now a study has been published that claims the usual objections are unfounded.

"I think a lot of opposition to supportive housing is based on abstract stereotypes that don't turn out to be true," said Vicki Been, the director of the Furman Center for Real Estate and Urban Policy at NYU and an author of the recent [paper](#), "The Impact of Supportive Housing on Surrounding Neighborhoods: Evidence from New York City."

The study found that property values actually increase near supportive housing developments. This challenges one typical line of NIMBY opposition – worries about sinking property values – and raises questions about what role community members should have in the supportive housing review process.

Been's researchers looked at 123 developments built in New York City and measured the price changes of surrounding housing before and after the residences were completed. To control for varying market conditions, the researchers studied projects built between 1985 and 2003. They found that after a development opened, on average, the buildings within 500 feet of supportive housing appreciated at a faster rate than the buildings in the control group located 1,000 feet away (but still in the same neighborhood, as defined by census tracts). In other words, it looks like supportive housing may positively affect nearby property values.

Been gives two possible explanations. One is that many supportive housing developments are sited on eyesores —either empty vacant lots or in dilapidated buildings. Also, she said, they are exceptionally maintained because government officials and neighbors hold them accountable. "There are a lot of incentives to have the best house on the block," said Been.

Because nearby property values rise for many reasons other than new supportive housing (gentrification, for instance), researchers compared the nearby buildings' value to others in the same neighborhood. Theoretically, they assumed there were few factors other than the new housing which could affect values right near the site, but not in the greater neighborhood. On average, values within 500 feet of the site began at four percent lower than the control group before the supportive housing was built. When the gap later narrowed between adjacent housing values and those in the control group, the Furman Center credited the new supportive housing.

Residents in Astoria, Queens were skeptical when they heard these findings. That doesn't surprise Debra Stein, a Bay Area public affairs consultant who has authored multiple books on controversies in land use. "People think,

'If they don't earn what I earn, and live like I live, they're likely to engage in antisocial behavior like loitering, graffiti and drug dealing.'

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An uplifting influence

The Corner House, a supportive housing development located at the intersection of Edgecombe Avenue and 141st Street in Harlem, provides reassurance to common anxieties and supports the Furman study's thesis. It may even demonstrate why property can appreciate faster near supportive housing. Residents there, who have varying backgrounds and needs, have been involved in the community since it opened in 1998. They volunteer every summer at the block's children's play street and have helped plant trees on what was before a desolate sidewalk. Today, their tan five-story home's freshly painted turquoise railing signals the beginning of a transformed block.

Bruce Nichols, who lives halfway down the block and serves as president of the United Edgecombe Block Association, glowingly endorses Corner House. "[They] took a derelict building, made it livable, clean and well-run," said Nichols, who has lived on the block for 30 years.

The facility occupies an abandoned SRO. Squatters and weeds lived inside before Access Development Fund, an affordable housing developer, performed a gut rehab in 1997 and installed designer light fixtures, a blue terracotta tile floor and interior molding.

Many credit Corner House director Georgiette Morgan-Thomas with saving the block. One of her first steps was to plant trees on the street, embracing a "broken windows" approach: Fix the small things and they'll ripple up, markedly improving quality of life. In the late 1990s, that area of Harlem certainly had big things to worry about—gang members dealt drugs and shot rivals from the Edgecombe sidewalks.

"My thought was, 'Trees? They're shooting out here, lady,'" Nichols said.

Eventually, the gang activity and drug dealing dwindled. Morgan-Thomas "helped transform this neighborhood," said Nichols, 63, as he stood comfortably in the Corner House hallway wearing sweatpants and dress shoes. He drops by occasionally to invite residents to his house—to watch games on his big screen TV or have a cookout. He and his wife Regina host a Super Bowl party every year and typically about 20 Corner House residents attend.

"It's all about wanting to be a member of the community," explained Morgan-Thomas, a passionate woman with warm eyes in a mossy felt hat. "That made the difference."

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Besides Morgan-Thomas, the Corner House employs two full-time case workers, a nurse who visits twice a week, and a doctor who visits twice per month. It hires local housekeepers to tend to the tenants' studio apartments.

Corner House has 34 residents—20 who are mentally disabled and formerly homeless, and 14 seniors age 55 and older who are from the Harlem area. Those tenants with mental disabilities suffer from conditions such as paranoid schizophrenia, schizo-affective disorder, bipolar disorder and major depression. About half of the supportive housing developments in New York City similarly accept residents such as seniors who do not meet other special needs or disability requirements. Residents are generally selected through a lottery, then an eligibility screening by the nonprofit operator, which includes meeting income guidelines. Residents sign a lease, pay a controlled portion of their income for rent (which may come from programs like Medicaid or Social Security) and are under no obligation to leave. In the case of Corner House, many of the residents have lived there since it opened in 1998.

Mayor Bloomberg's 2004 plan, "Uniting for Solutions Beyond Shelter," embraced this model of preventing homelessness within vulnerable populations through permanency and built-in services. The plan cited cost-effectiveness when it pledged to develop 12,000 new units of supportive housing over 10 years, using local, state, federal and private funding sources – which would represent a much faster pace of supportive housing development than in recent decades. A Department of Homeless Services [progress report](#) released in September says the city is working toward that goal, having "[a]warded contracts for the development of 3,450 units (City and State combined) in addition to 3,000 units HPD already had in process." A firm fix on the exact number of new units in development is hard to come by, however; HPD spokeswoman Catie Marshall adds that "there would be overlap between the 3,450 and the 3,000."

Compared to the public costs of shelter, hospital visits and other services for the homeless, supportive housing saves \$16,282 per housing unit per year, according to a 2002 [study](#) by researchers at the University of Pennsylvania.

At the grassroots level, though, residents have concerns other than efficient use of tax dollars – like whether a proposed development is really for *their* neighbors. "If you demonstrate that the housing is going to people in

their community, that's very important," said Stephan Russo, executive director of Goddard Riverside Community Center, which developed the Corner House. One chief complaint of community members is that their neighborhood is being used merely because it's a convenient place to locate a facility.

Russo also acknowledges that some developments don't run as smoothly as Corner House, and that NIMBY fears are sometimes founded in people's past experiences, not just prejudgments. "It could be a tough population and there could be an incident," he said.

The debate continues

Julia Vitullo-Martin is of the opinion that all supportive housing developments are most definitely not created equal. Difficult residents pose a problem for supportive housing providers in her Upper West Side neighborhood, said Vitullo-Martin, director of the Center for Rethinking Development at the conservative Manhattan Institute. One mentally disabled resident urinates daily on the steps of her subway stop, she said. He lives in a supportive housing development catercorner from her house.

"There are really good supportive housing facilities and there are very bad ones," said Vitullo-Martin, who has written positively about Common Ground, one of the city's best-regarded providers. She said that poorly run facilities surely have a detrimental impact on neighborhoods. "If you have a poor facility, is that upgrading your property value? I don't think so."

Vitullo-Martin believes the Furman Center study is too simplistic to account for the complexities of the New York real estate market. "For reasonably good supportive housing that isn't disrupting a neighborhood, maybe you can correlate an uptick in price, but you can't show cause and effect."

Nonprofits have developed more than 23,400 units in New York City since 1980, according to the Supportive Housing Network of New York. They are located either in "single-site" residences – buildings where at least half of the apartments serve formerly homeless or disabled people, or in "scattered-site" apartments – individual apartments leased on behalf of tenants who are regularly visited by caseworkers. Of the 23,400 units of supportive housing currently open, 14,400 are in 223 single-site buildings and 9,000 are scattered-site. The majority of the single-site developments are located in Manhattan.

Back in Astoria, the quest to locate a new residence is not over. Fred Shack, executive director of Urban Pathways, the developer, is not bound by CB1's strong rejection, because he is not applying for a particular HPD loan that requires a higher degree of community support. Shack said he will build it anyway if he receives state Office of Mental Health approval. He expects the agency to decide within the next few months.

Some providers and experts believe that the city's community notification and approval process is unduly onerous, and possibly discriminatory. "HPD requires an approval of a community board," said Russo of Goddard Riverside. "I think you've got to know whether that's a violation of the Housing Rights Act."

Ted Houghton, the executive director of the Supportive Housing Network of New York agrees the possibility of discriminatory treatment should be examined, but pointed out that both supportive housing providers and HPD collaborated to design the current approval process. Still, it's worth another look, Houghton said: "We really have to think again why we're singling out [providers] for this extra scrutiny."

Stein, the NIMBY expert, has consulted for the Network and noticed that review standards for supportive housing differ from those of other types of New York City multifamily housing. "I've always wondered whether or not this is consistent with the Americans with Disabilities Act," she said. "Is it creating this additional regulatory approval?"

And ultimately, this is one of the discussions that Been, the author of the Furman Center study, hoped to initiate. In light of the report's findings, "It would be natural to look more seriously at barriers to supportive housing," she said. "You certainly want the community to have input, but not veto power."

- Mike Reicher