

### III. Recent Research Findings

The research and studies in this literature review represent some of the important, recent findings in New York City real estate and urban policy. In compiling this review, the Furman Center sought studies with a specific focus on affordable housing in New York City. Consequently, in some cases research from prior to 2003 is included to provide further breadth. The research in this section was compiled from academic journals, think tank studies, housing groups and other knowledgeable sources. The Furman Center invites organizations and individuals to submit reports, studies and other types of research for publication in next year's edition of the State of New York City's Housing and Neighborhoods report.

Compiled by Drew Schinzel and Allison Page (Law '05).

A Time to Build: Report of the Manhattan Borough President's Task Force on Affordable Housing. Jan. 2000.

New York City's housing supply has been unable to keep pace with demand. The problem is exacerbated by the fact that many time-limited subsidies will soon expire. Furthermore, the incomes of middle income New Yorkers make them ineligible for subsidized affordable housing, but market rate housing in Manhattan is beyond their means. This report makes recommendations and offers strategies for lowering development costs and increasing public and private funding of moderate to middle income housing. The Task Force suggests state and local legislation and changes in City policy that would help reduce housing construction costs, provide flexible low interest financing and subsidies, increase private investment in affordable housing, and preserve the existing affordable housing supply. This report can be found online at <http://www.cvfieldsmbp.org/time2bld/time2b-b.html>.

AIA New York Chapter Housing Task Force. Spring 2003. Ten Steps to Create More Affordable Housing in New York City.

In this report, the Housing Task Force of the AIA New York Chapter recommends steps to improve and enhance Mayor Bloomberg's plan to combat the City's housing crisis. AIA suggests allowing higher densities of development near mass transit hubs coupled with lowering parking requirements. However, parking requirements should be waived entirely for mixed-use developments. Smaller studio apartments and expanding inclusionary housing would also help increase production of affordable housing. Furthermore, AIA recommends specific modifications to the Building Code to make it more efficient and to permit construction of four story walk-up apartment buildings. In addition, current zoning laws and building codes do not address the special needs of our elderly population. Finally, the AIA encourages the New York State Energy Research and Development Authority to make changes to its programs to better coordinate with the process of designing and building housing.

Angotti, Tom and Eva Hanhardt. 2001. Problems and Prospects for Healthy Mixed-use Communities in New York City. *Planning Practice & Research*, 16(2): 145-154.

This study focuses on existing mixed-use communities in New York City and, while citing the

potential benefits of mixed-use communities, the authors emphasize the public health and quality of life problems that confront communities where industrial and residential uses are located in close proximity. The protections offered by federal legislation, environmental impact assessments, and local land use regulations offer inadequate protection for the problems confronting high density mixed-use areas. These concerns should be taken into account when determining the appropriate uses to be mixed and the scale of mixture. The authors argue that to preserve existing mixed-use communities, the focus must be on pollution prevention and control and policies that ease the burdens of rising property values that accompany development. Finally, this study discusses the development of new mixed-use communities and the introduction of mixed-use in existing single-use communities.

Bach, Victor and James DeFillippis. Jun. 2003. Section 8 Housing Vouchers: Block Grants to the State? Community Service Society Policy Brief #10.

The Bush administration is proposing to move responsibility for the Section 8 voucher program to the state level via block grants. It currently operates as a federal-local collaboration: vouchers are given by HUD to local authorities such as NYCHA and HPD in New York City. Bach and DeFillippis urge policymakers to reject this proposal because it will lessen the effectiveness of Section 8 in meeting housing assistance needs of New Yorkers. There are many reasons for this, they argue: block grants will not take rising housing costs into account, federal affordability guarantees will be weakened for new voucher holders, states will substitute the federal funding for state funding, urban areas will experience greater uncertainty about funding levels, and that the lack of federal regulation of voucher standards will drive the level of assistance down.

Bass, Richard and Cuz Potter. Jan. 2004. Special Series: Developing Sustainable Urban Communities: A Tale of Three Northern Manhattan Communities: Case Studies of Political Empowerment in the Planning and Development Process. *Fordham Urban Law Journal*, 31 (2).

Morningside Heights, Central Harlem, and East Harlem, faced with building proposals thought to be out of character and scale with their communities, each responded in different ways to try to affect the development of real estate in their neighborhoods. Using the development proposals as case studies, this article examines community participation and empowerment in the planning and development process. Developers often seek the approval of neighborhood-based community boards in developing their projects; however, variation in local politics and strategy has led to different levels of success. The Morningside Heights community lobbied against the new proposal, but failed to address the underlying problems in the area's zoning laws. Central Harlem, while effective in countering the new proposal in their area, demonstrated that they will only respond reactively to new proposals that do not fit their community. Finally, East Harlem was the most effective and proactive in making lasting changes to their land use regulations. The community board in that neighborhood lobbied for third-party funding, created a zoning committee for oversight and guidance of the rezoning proposal, and expended political capital to ensure that the rezoning proposal was adopted by the city.

Case, Karl E., Robert J. Shiller. 2003. Is There a Bubble in the Housing Market? *Brookings Papers on Economic Activity*, 2.

In this paper the authors attempt to answer many questions surrounding the contention that the current housing market is in a “bubble.” They go about this in two ways: analysis of state-level data on home prices and “fundamentals” and the results of a survey conducted in 2003 of homebuyers in four cities: Los Angeles, San Francisco, Boston and Milwaukee. The authors conclude that growth in income and low interest rates explain the current housing market in many states, but that in some cities there is evidence of a speculative bubble in single family home prices. Although the bubble may not be as strong as it was in 1988, it is argued that price increases may indeed stall and prices may actually decline in some areas, which could increase the number of bankruptcies due to personal debt. However, a nationwide drop in housing prices is unlikely, according to the study, and even the drops in various cities may not be synchronous, lessening their overall impact.

DeFilippis, James. May 2003. Keeping the Doors Open: HUD-subsidized Housing in New York City. *Community Service Society, Policy Brief No. 13*.

Federal housing subsidies have directly increased the supply of housing accessible to low income households in New York City. This paper discusses threats to the continued availability of this supply from owner terminations, which end restrictions governing use and affordability, and HUD conversions of distressed, project-subsidized housing to tenant-based vouchers. Finally, the paper recommends broad policy initiatives for the federal government and state and local governments to protect tenants and preserve this vital housing resource. Recommended initiatives include: strengthening of federal incentives to owners to stay in the programs, increased technical assistance to residents, the recapture of unspent subsidies, the creation of resident safeguards, and extension of rent regulation to subsidized developments undergoing termination.

Department of Housing Preservation and Development. 2003. The New Housing Marketplace: Creating Housing for the Next Generation: Progress Report.

This report by the Department of Housing Preservation and Development outlines the new programs and successes of Mayor Bloomberg’s plan to create and preserve housing over the next five years. Programs have been put in place to create new housing developments on vacant city-owned land, with a number of units set aside for low income households. Committees and panels have been formed to seek solutions and implement components of the housing plan. In addition, funding has been created to increase assistance programs for homebuyers. A dramatic increase in special needs housing has created homes for homeless single adults, homeless families, and youth aging out of foster care. Steps have been taken to rezone areas of the city to increase the land available for housing development. The City plans to adopt a model building code for New York City to simplify the regulatory process and increase construction of residential buildings. Another priority under the Mayor’s plan is to preserve existing affordable housing by early identification of properties at risk of abandonment, transfer of title of delinquent properties to more responsible owners, and strict code enforcement.

Fischer, David J., Tara Colton, Neil S. Kleiman, Karen Schimke. Nov. 2004. *Between Hope and Hard Times: New York's Working Families in Economic Distress*. Center for an Urban Future and the Schuyler Center for Analysis and Advocacy.

This report examines the conditions, education, and employment figures of the working poor in New York state overall and New York City in particular. The authors look at the factors affecting low income families and the policy decisions that shape their lives. Four general conclusions are drawn: programs intended to assist low income working families range from exceptional to disastrous, New York helps low income workers subsist but does not push them to excel via quality opportunities, the policymaking apparatus does not respond fast enough to economic and social changes, and the state does not gather the information necessary to make the best decisions.

Freeman, Lance and Frank Braconi. Winter 2004. *Gentrification and Displacement: New York City in the 1990s*. *Journal of the American Planning Association*, 70(1).

Using the New York City Housing and Vacancy Survey (HVS), these researchers examine the relationship between residence in a gentrifying neighborhood and residential mobility among disadvantaged households. After controlling for housing unit characteristics likely to be associated with mobility, the study found that disadvantaged households in gentrifying neighborhoods were less likely to move than poor households residing elsewhere. These results suggest that displacement is not the principal mechanism through which gentrification changes the socioeconomic character of a neighborhood, but rather, as neighborhoods gentrify, disadvantaged residents, as well as more affluent ones, appreciate the improvements and make greater efforts to remain in their homes.

Galvez, Martha and Frank Braconi. Jun./Jul. 2003. *New York's Underground Housing*. *Citizens Housing and Planning Council*, 9(2).

This article documents the recent surge in illegal and informal dwellings in New York City in response to an increased housing demand that exceeds the city's capacity for housing production and enforcement of zoning and building codes. The problem appears to be greatest in Queens, where 45,000 complaints were filed between 1992 and 2002 in communities unsettled by the burdens of increased population density. Many analysts suggest that strict enforcement, although hindered by legal and bureaucratic obstacles, could displace thousands of tenants whose needs the city would be unable to meet. The authors suggest increased housing production to allow tenants in illegal units to find legitimate dwellings.

Glaeser, Edward L. and Joseph Gyourko. Nov. 2003. *Why is Manhattan So Expensive?* Center for Civic Innovation at the Manhattan Institute, Civic Report No. 39.

This study seeks to explain why the price of apartments in Manhattan has increased twice as fast as the rest of the nation. The authors conclude from the gap in apartment prices and construction costs that the high real estate prices are the result of regulatory restrictions that make it difficult to build new homes. This conclusion is supported by the lack of homogeneity of building heights for new construction as well as the fact that increases in housing demand were not met by changes in supply. These regulations add a "zoning tax" on housing prices which is primarily responsible for the high cost of housing in Manhattan. Furthermore, while allowing new development would entail its

own costs, the authors estimate that the gap between an efficient zoning tax and the current zoning tax is three times the social costs that would be generated by new development.

Gurian, Craig. Jan. 2004. Special Series: Developing Sustainable Urban Communities: Let Them Rent Cake: George Pataki, Market Ideology, and the Attempt to Dismantle Rent Regulation in New York. *Fordham Urban Law Journal*, 31(2).

The focus of this article is on the various players in the rent control debate directly prior to the adoption of the Rent Regulation Reform Act of 1997, and an analysis of their reliance on market forces. Tracing the timeline leading up to July 1997, the author examines and critiques the many arguments made by anti-regulation forces, highlighting the crucial agenda of shaping public opinion with regard to government regulation of the housing market. This effort was made difficult by the mobilization of some tenant groups opposed to deregulation. The article describes the legislation that resulted, concluding that the major provisions were only modest relief to landlords, whereas the extension of the legislation in 2003 will be harmful for tenants by deregulating more apartments over time.

Hoffman, Lily M. Jun. 2003. The Marketing of Diversity in the Inner City: Tourism and Regulation in Harlem. *International Journal of Urban and Regional Research*, 27(2): 286-299.

This article discusses the emergence of tourism in the disadvantaged, racially segregated community of Harlem. Characterized by flourishing cultural and ethnic diversity, Harlem has attracted a revitalized tourist interest and the support of New York's business community. Though some controversy has arisen, cultural and economic leaders have tried to utilize Harlem's unique assets in planning and developing the community. However, urban tourism incorporates a new mode of regulation, increasing political and economic inclusion, but with significant costs for small businesses, African American-owned businesses, and other Harlem residents.

Housing First!. Jul. 2003. Affordable Housing for All New Yorkers: A Review of Mayor Bloomberg's New Housing Marketplace Plan.

This article reviews the degree to which Mayor Bloomberg's New Housing Marketplace initiative has progressed in their towards the goals identified by Housing First!. While considerable progress has been made, New York is still facing an acute housing shortage. Housing First! suggests an increased investment of city funds in affordable housing coupled with specific administrative, zoning, and regulatory reforms to help move the city towards its goals of increasing production and preservation of residential homes. Identifying and securing housing development sites continues to be among the most critical barriers to expanding the city's housing stock, but this article outlines initiatives the Bloomberg administration has taken to make more land available for development.

Kling, Jeffrey, Jeffrey Liebman, Lawrence Katz, Lisa Sanbonmatsu. Aug. 2004. Moving to Opportunity and Tranquility: Neighborhood Effects on Adult Economic Self-Sufficiency and Health from a Randomized Housing Voucher Experiment. Harvard University John F. Kennedy School of Government.

This article describes a randomized housing mobility experiment in which families living in

high poverty public housing in five cities, including New York, were given vouchers to help them move to private housing units in lower poverty neighborhoods. After five years, the families lived in safer neighborhoods with significantly lower poverty rates than those of two other groups in the study. In addition, mental health benefits and significant obesity reduction were also apparent, although no effects on employment, earnings, or public assistance receipt were discernible.

Lamport, Joe. Apr. 2004. Affordable Housing in 2004. *GothamGazette.com*.

Affordable housing, according to this article, is currently facing some difficult issues. The author points to three recent developments and three long term trends that are affecting affordable housing in the city. In the short term, cutbacks in Section 8 funding, an accelerating number of housing developments “buying out” of the Mitchell-Lama program, and the continued loss of rent-regulated apartments are all adversely affecting availability of affordable housing. These recent developments worsen three already existing problems: a rise in population without a concomitant rise in available apartments, high construction costs due to various issues (high labor and materials expenses, complex rules, etc.), and a decrease in government funding for building affordable housing. As a result, the author says, more people are paying more of their income for rent, homeless families use more city resources, and existing apartments are becoming overcrowded.

Lamport, Joe. Sep. 2004. Helping Pay The Rent: Section 8 Saved; Emergency Rent Coalition Created. *GothamGazette.com*.

This article covers two subjects: the restoration of funding for Section 8 housing and the election of a board of directors for the Emergency Rent Coalition. The US Department of Housing and Urban Development had proposed cutting Section 8 funding by \$125 million but relented and restored \$55 million in funds. Large cuts are still expected for next year, the author says, but the reductions will come on the administrative side. The article also reports that the Emergency Rent Coalition is electing its first ever board of directors. The action is being taken in order to gather the leaders of the group, which consists of about 20 separate agencies, to discuss issues and create a more useful system.

Lander, Brad. 2003. New York Housing Coalitions at Work. Fannie Mae Foundation. *Housing Facts & Findings*, 5(4).

In the face of a worsening housing crisis, the push for affordable housing in New York City has brought together groups who historically have not worked together. The author recounts the creation of the Housing First alliance, which united a diverse array of organizations, such as activists, developers, clergy and bankers. Two factions typically at odds, trade unions and community development corporations, have also joined forces to push for affordable housing and broker compromises amongst various agencies and other interests. The author points to these promising examples as evidence of ways to find common ground to achieve satisfying solutions to housing issues.

Lee, Barrett A. and Chad R. Farrell. Oct. 2004. Metropolitan Neighborhoods with Sheltered Homeless Populations: Evidence from the 1990 and 2000 Censuses. The Brookings Institution Center on Urban and Metropolitan Policy.

Critical mass neighborhoods – defined as census tracts with sheltered homeless populations of 100 or more – are disproportionately located in large metropolitan areas and New York City dominates other metropolitan areas in number of critical mass neighborhoods. In comparison to the 1990 census, New York had an increase in critical mass neighborhoods in the 2000 census, but the sheltered homeless population in those neighborhoods fell off slightly, coinciding with a shift in shelter policy in the late 1980s. Also, the sheltered homeless in New York dispersed spatially and changed locations between 1990 and 2000. Although the sheltered homeless account for only a small, yet visible, share of critical mass neighborhood populations, this study finds that these neighborhoods tend to exhibit high levels of disadvantage generally.

Lees, Loretta. Nov. 2003. Super-gentrification: the case of Brooklyn Heights, New York City. *Urban Studies*, 40(12).

This study examines the neighborhood of Brooklyn Heights as an example of what the author refers to as super-gentrification. The author posits that certain neighborhoods in global cities like London and New York are experiencing a regentrification led by a wave of extremely wealthy persons who have benefited from the rising tide of global capital in recent years. Super-gentrification, says the author, illustrates the relationships among global economic processes, local places and communities, of which Brooklyn Heights is a prime example.

Levitan, Mark. 30 Sep. 2003. Poverty in New York, 2002: One-Fifth of the City Lives Below the Federal Poverty Line.

This short paper examines the Census data regarding poverty. According to the Current Population Survey, one in five New York City residents lives in poverty. Although the survey has a relatively small sample size and the results may not be statistically significant, the author says that the rise in the city poverty rate is minimal in comparison to the rise in poverty that accompanied the early 1990s recession. The author also points out that the difference between the poverty rate of New York City and the rest of the United States has remained consistent since the late 1970s, and that the city poverty rate is nearly double that of the nation.

McPherson, Guy. Mar. 2004. Note: It's the End of the World As We Know It (And I Feel Fine): Rent Regulation in New York City and the Unanswered Questions of Market and Society. *Fordham Law Review*, 72(4).

After presenting the historical context of the existing regulatory framework and outlining the arguments for and against rent control, the author undertakes an examination of the societal values underlying government regulation of the housing market. The author criticizes proponents of rent control for failing to recognize that the current laws do not protect the poorest tenants and the opponents of rent control for failing to support their claims that a free market regime would provide a desirable outcome for the housing market. Rather than focus on the inequities of the current laws, both sides of the debate should analyze the goals of a regulated housing market and what is the best ap-

proach for achieving those goals. The author argues that a system similar to New York City's Senior Citizens Rent Increase Exemption program would protect low income tenants while removing the disincentives to owners and increasing investing in real estate.

Montiel, Lisa M., Richard P. Nathan, and David J. Wright. Aug. 2004. *An Update on Urban Hardship*. The Nelson A. Rockefeller Institute of Government.

This report takes a look at factors in urban hardship, examining particular trends over the last thirty years and, via the Intercity Hardship Index, comparing the economic condition of American cities relative to one another and to themselves over time. The Index combines six factors: unemployment, dependency, education, income, crowded housing and poverty. New York City makes two noteworthy appearances in the report. New York was number eight on the list of the ten cities where the Intercity Hardship Index score worsened the most from 1970 to 2000. Also, New York was sixth in the list of top ten cities whose hardship ranking worsened the most in that same period. The city's ranking among other cities, with 1<sup>st</sup> being the city with the most hardship, rose from 28<sup>th</sup> to 10<sup>th</sup>.

Mueller, Lisa. Jan. 2003. *New York City Case Study: Third Party Transfer Initiative: A Solution to Property Abandonment*. Local Initiatives Support Corporation.

Through the Third Party Transfer Initiative, New York City can transfer distressed, lien encumbered properties to responsible third party owners without taking the title itself. If the City fails to transfer the property within eight months after foreclosure, the property remains in the possession of the original owner. To avoid this outcome, the Local Initiatives Support Corporation (LISC) established Neighborhood Restore, a nonprofit organization that acts as an interim owner of distressed properties to ease the transition. Neighborhood Restore assists with property improvements and provides the opportunity for properties to be stabilized before the final transfer is made. With the help of LISC and others, the Third Party Transfer Initiative has proven successful.

National Coalition for the Homeless. Aug. 2003. *Illegal to Be Homeless: The Criminalization of Homelessness in the United States*.

This report highlights the growing criminalization of homelessness across the country through passage of quality of life laws and makes recommendations to improve the lack of services for this disadvantaged group. Rather than spending funds to increase resources to combat homelessness, communities frequently divert these funds to police departments and local Business Improvement Districts, which penalize people for being homeless. This report looks at laws and practices in 147 communities across the country. In New York City, the report says, Mayor Bloomberg and Police Commissioner Raymond Kelly worked to decrease the visibility of the homeless population through enforcement of quality of life laws and, the authors argue, through harassment of the homeless by the NYPD. A law suit filed by the New York Civil Liberties Union, alleging that the NYPD's policies and practices of targeting and singling out the homeless for arrest was in violation of the Due Process Clause, eventually led to NYPD written policies against selective enforcement of the law specifically targeting homeless New Yorkers.

National Low Income Housing Coalition. 2003. *Out of Reach 2003: America's Housing Wage Climbs*.

This study of the National Low Income Housing Coalition determines that a full time worker in New York City must earn \$20.63 per hour in order to afford a two bedroom unit at the area's Fair Market rent. This represents 401% of the current minimum wage. For more data on New York City and other cities visit [www.nlihc.org](http://www.nlihc.org)

National Low Income Housing Coalition. 2004. *Out of Reach 2004: America's Housing Wage Climbs*.

This study of the National Low Income Housing Coalition determines that a full time worker in New York City must earn \$19.58 per hour in order to afford a two bedroom unit at the area's Fair Market rent, which represents 326% of a \$6.00 per hour wage. However, 2004 data can not be compared with previous years because of changes in the way HUD calculated Fair Market Rents, which is the cost of rent and most utilities for a typical apartment.

*Editor's note: The above study used \$6 per hour as the 2004 minimum wage in New York, but that wage did not take effect until January 1, 2005. If the actual rate of \$5.15 was used, a wage of \$19.58 would represent 380% of minimum wage.*

Nelson, Arthur C. Top Ten State and Local Strategies to Increase Affordable Housing Supply. Fannie Mae Foundation. *Housing Facts & Findings*, 5(1).

Innovative, nonsubsidized solutions are available to help increase the supply of affordable housing, according to the author of this article, who lists ten steps that can be taken. The first five steps involve changes in local codes, zoning regulations, fees and procedures. In this area, the author recommends: streamlined permitting, accessory dwelling units, development agreements, relaxed floor-size minimums and "proportional" impact fees and waivers. The next five suggestions are policy initiatives: affordable housing trust funds, home equity assurance programs (to encourage apartment development near single family homes), inclusionary housing requirements, housing enterprise zones, and a leveraging of the low income housing tax credit.

Out of Balance: The Housing Crisis from a Regional Perspective. Apr. 2004. Citizens Housing & Planning Council Regional Plan Association.

This report analyzes the New York City metropolitan area, including the NY-NJ-CT tri-state region, in search of answers to questions on housing affordability. Using factors such as population, prices and rents, income, housing cost burden, and the affordable housing gap, the authors compare the different areas of the tri-state region to each other as well as to other metropolitan areas. The study also looks at characteristics that make an area appealing to live and work in as well as the importance of a balanced housing environment in the equation. The authors conclude that the region does not provide the balanced housing – in terms of affordability, choices, and quality – needed to support the goals of economic competitiveness, social equity and environmental sustainability.

Pollakowski, Henry O. Mar. 2003. Who Really Benefits from New York City's Rent Regulation System? Center for Civic Innovation at the Manhattan Institute.

This study challenges the conventional wisdom on rent regulation, which says that renters benefit from the system. The author concludes that rent stabilization subsidizes residents of affluent areas of Lower and Mid Manhattan while providing little benefit to those it was intended to help: residents of the outer boroughs and the lower and middle income neighborhoods of Manhattan. If the system was deregulated, Pollakowski argues, rent increases in neighborhoods outside of affluent areas of Manhattan would be negligible and in affluent areas the newly available market-rate apartments would create downward pressure on rent levels, making increases on previously rent-stabilized apartments less than expected.

Roberts, Richard T. Feb. 2003. Unleashing the Private Sector: How Government Policy Can Facilitate Private Solutions to New York City's Housing Crisis. Manhattan Institute.

New York City's reliance on subsidies to bridge housing affordability gaps is the wrong approach, argues the author. Subsidies ignore the root causes of housing problems, and, moreover, all sectors of the housing market are subsidized, from luxury to low income. The author argues instead for three different approaches New York City should use to address the housing crisis. First, the building code, currently at 2,000 pages, should be simplified and updated. Second, a specialized rehabilitation sub-code should be adopted, easing current requirements that developers must bring buildings they are rehabilitating into compliance with current new building codes. Finally, the author argues that more land should be available for housing development, which would require rezoning of obsolete and otherwise unused manufacturing sites.

Rouen, Ethan. Jul./Aug. 2003. Bootstrap Philanthropy: Housing Works proves that charity and good business sense begin at home. National Housing Institute, *Shelterforce Online*.

In this article the author takes a look at Housing Works, a housing services organization aimed at persons with HIV/AIDS, as an example of a non-profit that effectively uses an entrepreneurial approach. Non-profits may want to use this method, the author states, in order to generate revenue to support core mission activities as well as to obtain independence from unreliable public and private funding. One innovative way Housing Works achieved this independence was by widening its food services program, previously targeted at its adult day health care initiatives, to also serve private catering clients. The organization has also started a series of thrift shops to supplement its revenue. Bottom-line business models and successful for-profit ventures have helped Housing Works to expand their non-profit services.

Schwartz, Amy Ellen, Scott Susin, and Ioan Voicu. 2003. Has Falling Crime Driven New York City's Real Estate Boom? *Journal of Housing Research*, 14(1). 101-135.

In this study, the authors investigate the impact of decreasing crime levels in New York on the post-1994 boom in property values. The authors conclude that although press reports overstated the effect of the drop in crime, the decrease was nonetheless responsible for one-third of the 17.5% rise in property values from 1994 to 1998. In order to reach this conclusion, the authors isolate trends in property values using data on a variety of factors, including crime, subsidized low-income housing, and quality of public schools. They found that of the 17.5 percentage point increase in New York City

property values, 6.5% was due to crime reduction, 7% was from education quality and subsidized housing investment, and the final 4.5% could not be explained by their model.

Swanstrom, Todd, Colleen Casey, Robert Flack, and Peter Dreier. Oct. 2004. Pulling Apart: Economic Segregation among Suburbs and Central Cities in Major Metropolitan Areas. The Brookings Institution Metropolitan Policy Program.

The authors of this study analyzed census income data for cities and suburbs in the nation's fifty largest metropolitan areas between 1980 and 2000 in order to discover if economic segregation between cities and suburbs is rising. They also look at economic segregation among suburbs. The study concludes that economic segregation is rising but that trends vary widely across time and in different regions. The 1990s improved the per capita income of cities and suburbs, but the decade did not reverse or eliminate income inequalities across locales that emerged during the last thirty years.

Tong, Zhong Yi. Apr. 2004. Homeownership Affordability in Urban America: Past and Future. Fannie Mae Foundation.

This study examines past (1990-2003) and projected (2004-2008) trends in the affordability of homes for median-income working Americans. The author looks at affordability ratios for first-time and repeat home buyers in the nation as a whole, eleven metropolitan areas, and for people working as schoolteachers, nurses, firefighters, and police officers. For both first-time and repeat home buyers, New York City is categorized as increasingly unaffordable for median-income individuals with an even more distressing outlook for the next five years. Even a middle class family with a double income will face affordability problems by 2007 due to insufficient income to afford a median-priced home in New York City.