

Does Affordable Housing Cause Nearby Property Values to Decline?



**Goshen
Housing Trust**

For a Stronger Community

“Don’t Put It Here!” is the title of a report done by New York University’s Center for Housing Policy (NYU) that addresses this question. It is a question often brought up in opposition to affordable housing. This concern is legitimate and understandable. But the concern is not supported by the data.

Many rigorous studies have been done on the impact of affordable housing on property values. The majority of these indicate either no impact or a positive impact on nearby housing values.

The NYU study looked at four such studies done by universities and housing groups to see if there was consistency in the results. The NYU study concluded, “...*the vast majority of studies have found that affordable housing does not depress neighboring property values and may even raise them in some cases. Overall, the research suggests that neighbors should have little to fear from the type of attractive and modestly sized developments that constitute the bulk of newly produced affordable housing today.*”

The study goes on to say that the data suggested ways to protect nearby property values. Goshen Housing Trust plans to implement four recommendations of the NYU study as follows:

Good Design —NYU Study: Affordable housing that is attractively designed and blends with the surrounding neighborhood may be more likely to have no effect or even a positive effect on nearby property values. An attractive design also may be helpful in allaying community concerns about the aesthetics of a proposed development.

Any housing developed by the Goshen Housing Trust will be designed to blend with the homes around it and will use natural landscaping to shield it from view. One example of such a design recently built by Salisbury Housing Committee, Inc. is shown here. We have retained a well-known Connecticut architect to assist us with the design – the same architect who designed the



*Sarum Village, Salisbury, CT
Example of Good Design in Affordable Housing*

Woodridge Lake Clubhouse and is well known for his work across the State. Beyond the appearance of the housing, our units will be designed to the latest state-of-the-art standards in terms of building materials and energy efficiency. Among the things we will explore are energy efficient heat pump systems and the use of solar energy. Our housing will likely be among the most energy efficient housing in Goshen when completed.

Good Management — NYU Study: Not surprisingly, poorly managed or maintained housing — whether privately owned or subsidized — has been shown to depress nearby property values. Affordable housing that is well-managed and well-maintained is more likely to have a neutral or even positive effect on surrounding properties



South Commons, Kent, CT

The Goshen Housing Trust will exercise control over whatever housing it develops in perpetuity. This means that a group of Goshen neighbors who care about our Town will be responsible for managing the property. While we will hire a professional property management firm to ensure good day-to-day operations, the Goshen Housing Trust Board of Directors will remain responsible for all the key decisions. We will provide for the on-going maintenance of the property, thereby ensuring that it remains an attractive asset to the community. We will enforce regulations on the residents that ensure the exterior of the property remains attractive. And, we will apply fair but stringent screening and background checks of potential residents.

Strong Neighborhoods — NYU Study: As long as it is not overly concentrated, locating affordable housing developments in existing strong neighborhoods with high home values and low poverty rates is unlikely to have adverse effects on nearby property values. These findings provide support for the emerging trend toward mixed-income

housing and communities.

The location we are currently investigating on Beach Street is just such a strong neighborhood. Located in one of the most densely developed parts of Goshen with the some of the highest home values in the Town, its presence will be unlikely to impact local home values. The availability of existing sewers will minimize impact over more environmentally sensitive areas. The location, across the street from the Town’s recreational facilities, Camp Cochepiannee and Kobylenski Lodge, will be ideal for families and senior residents, alike.

Concentration —NYU Study: Large concentrations of affordable units are best avoided in favor of more moderately sized developments.

While Goshen Housing Trust’s plans for the Beach Street site are still being developed, we plan for a moderately sized project. We are doing our best to carefully match the site characteristics with the neighborhood and the Town’s need for housing. Beyond this, we have no plans for any further affordable housing development in the Beach Street area. Taken together, these considerations will ensure that the potential negative impact of trying to concentrate too many affordable housing units in this area is avoided.

We hope this article helps in understanding another aspect of following through on the Town’s need for greater diversity in its housing.