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EDITORIAL

Good Neighbors

New York City pioneered the strategy of providing homeless people not just with housing but with drug treatment, psychiatric care and other services they need to live successfully on their own. Even with all the add-ons, supportive housing apartment buildings cost substantially less than shelters and are many times less expensive than jails or beds in psychiatric hospitals.

This strategy is taking root all over the country and proving beyond a doubt that people who were once homeless can be good neighbors and good citizens. Unfortunately, many neighborhoods are continuing to fight the developments, believing that they bring down property values. A long-awaited study from New York University's Furman Center for Real Estate and Urban Policy should put an end to that misperception.

The study examined the sale prices of apartment buildings, condominiums and individual homes in New York City neighborhoods where 123 supportive housing developments were opened between 1985 and 2003.

Fear seems to have suppressed property values somewhat while the new developments, which often replaced vacant lots or eyesores, were being built. But that evaporated once people saw the buildings and how well they were run.

In the five years after the developments were opened, the study finds, the prices of buildings nearest the supportive housing development experienced "strong and steady growth," and appreciated more than comparable properties that were slightly farther away. In other words, the closer property owners lived to these often handsome developments, the better they fared.

The Furman study confirms what advocates have been saying for years: well run supportive housing can help both formerly homeless citizens and the neighborhoods in which they are built. Politicians and business leaders across the country should pay attention.
