

Dear Friends,

The past year has been a time of great growth and excitement at the Furman Center. In February, Jonathan Fanton, President of the MacArthur Foundation, joined us to make a major address on affordable housing and to announce a new \$25 Million investment to support research exploring the ways that housing affects children, families, and communities. In April, we released our annual State of the New York City's Housing and Neighborhoods report featuring a unique analysis of homeownership trends in New York City. And just last month, we released a policy brief on the impacts that Business Improvement Districts have on the value of properties within their district, and what this means for City policy.

Over the past year, we have significantly increased the size of our staff, broadened the scope of our research and developed a new policy brief series to articulate how our work can be useful for those working to improve housing and neighborhoods. We are building off of this momentum as we dive into our fall research. Our agenda includes a number of studies that will provide new empirical analysis on critical issues facing the City today. From the impacts of foreclosures to the performance of inclusionary zoning programs, we expect our research this year to be of great value to policymakers in New York City and around the country.

We are very grateful to our funders and to our [Board of Advisors](#) for their significant guidance and support. Many thanks also to the nearly thirty Law and Wagner [students](#) who worked with us this past year--we certainly could not have accomplished what we did without their hard work.

We are always eager to get your feedback, questions, and new ideas so please stay in touch.

Vicki Been &  
Ingrid Gould Ellen

### Fall Research

The Furman Center continues to evaluate whether and how publicly-financed housing investments drive change at the neighborhood level. This fall, two of our studies advance this work. The first explores 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. This analysis will be an important contribution to the controversy that surrounds the approval of supportive housing facilities.

The second, a joint project with NYU's Institute for Education and Social Policy, examines the impact that the City's housing investments have had on local schools. Have they crowded existing schools or spurred the opening of new schools? Have they changed the characteristics of the students enrolled in the neighborhood schools? Have they affected test scores or other measures of school quality? Led to changes in the resources available to the neighborhood schools? In short, while everyone knows that better schools lead to better neighborhoods, were asking whether better housing leads to better schools.

For the past year, the Furman Center has been a part of the national conversation surrounding subprime lending and the risk and impact of mortgage foreclosures. To help advance this crucial dialogue with empirical evidence, the Furman Center is studying what costs foreclosures impose on the surrounding neighborhoods. We also are examining how neighborhood characteristics and housing market conditions affect what happens to borrowers who fall behind on mortgage payments, and whether borrowers who rely on subprime loans tend to fare better or worse than prime borrowers in resolving loan distress.

At the request of the Center for Housing Policy at the National Housing Conference, we also are completing a study that examines the effects of inclusionary zoning programs on housing prices, rents, and the production of both market-rate and affordable housing in three metropolitan areas: San Francisco, Boston and Washington DC. As inclusionary zoning programs proliferate in New York City and around the nation, the study will provide crucial data on how such programs actually have worked.

The Furman Center also is completing a study examining the effects community gardens have on the value of surrounding properties. We hope this research will help local governments make more informed decisions about whether and how to invest in community gardens and other green spaces.

Finally, we are researching how the City promotes (or fails to adequately promote) synergies between economic development and affordable housing, and what could be done to further ensure that these goals are pursued in tandem.

For more information about these studies, or to learn about our other research, please visit our website.

### **NYC Data and Information Resources**

Part of our mission is to provide essential data and analysis on New York City's housing and neighborhoods to the greater land use, real estate and housing community. The Furman Center manages two websites to help us achieve that goal: [www.plannyc.com](http://www.plannyc.com) and [www.NYCHANIS.com](http://www.NYCHANIS.com).

In the past year, we have doubled the number of development projects profiled on PlanNYC and increased the number of unique visitors by more than 50%. In March, PlanNYC was selected by Planetizen, a public interest website for the urban planning community, as one of the top 10 online resources for those interested in planning, design, and development.

These accomplishments notwithstanding, there is still room for improvement and we are in the midst of major overhauls to both PlanNYC and NYCHANIS. The redesigns will increase the sites usability, improve their look and feel, and expand the amount of data available to the public. Look for announcements regarding the re-launch of these sites later this year.

### **Furman Center in the News**

We value our role as an objective source of data and analysis for the public, and are gratified to see the media increasingly using our work. Below is a sampling of articles that have featured Furman Center findings or data analysis over the last few months:

- [\*N.Y. Foreclosure Frenzy\*](#): *The New York Post* interviews Furman Center Research Fellow Solomon Greene to better understand the subprime industry.
- [\*New Report Could Boost BIDs\*](#): *The New York Sun* explores the findings of the Furman Center's report on how BIDs impact property values.
- [\*BIDs Raise Commercial Property Values\*](#): *Crain's New York* features the release of the Furman Center's report on the effects of Business Improvement Districts.
- [\*Jamaica Tops City in Foreclosures: Defaults Don't Bring Disaster to Queens Neighborhood Buttressed by Strong Market\*](#): *The Real Deal* features Furman Center data on subprime lending.

- [\*In a City Known for Its Renters, a Record Number Now Own Their Homes\*](#): *The New York Times* reports on New York City's rise in homeownership rates, featuring the Furman Center's analysis and commentary by Vicki Been.
- [\*Mayor's Green Speech Asks to Build 500,000 Units\*](#): in this *New York Observer* article, Vicki Been responds to the housing component of Mayor Bloomberg's 2030 plan.
- [\*A Most Exclusive Club\*](#): *The New York Times* covers the Furman Center's research on the extent to which average New Yorkers have been priced out of homeownership.
- [\*Sub-Prime Loan Bubble in City\*](#): *The New York Post* features the Furman Center's analysis of subprime lending, published in the 2006 State of New York City's Housing and Neighborhoods report.
- [\*NYC Foreclosure Rates Hit\*](#): *Reuters* highlights Furman Center research on subprime lending and foreclosure starts in NYC, including commentary by Furman Center Research Fellow Jenny Schuetz.
- [\*Sub-Prime Market Heads Skyward\*](#): *WNYC* interviews Ingrid Gould Ellen on the major findings in the 2006 State of the City.
- [\*City Home Ownership More Elusive, Report Says\*](#): *Metro* covers the release of the 2006 State of the City report and highlights the loss of affordable homeownership opportunities in NYC.
- [\*Crowded Houses\*](#): *WNYC's The Brian Lehrer Show* interviews Ingrid Gould Ellen on the problem of overcrowding in the City.
- [\*Mortgage Woes Pass by New York, for Now\*](#): *The New York Sun* features Solomon Greene's commentary on subprime lending trends.
- [\*Renting Rooms, Buying a Dream\*](#): *The NY Daily News* interviews Jenny Schuetz about strategies to achieving homeownership.

## Events

Last spring, our Housing and Land Use Policy Breakfast series focused on the question of how to create new land for housing in a city with an extreme scarcity of vacant land. We explored creative strategies for building affordable housing on publicly-owned, underutilized land, such as above post offices or libraries. We also examined how non-profits and churches are partnering with affordable housing providers to develop un-used FAR (floor area ratio) on property they own. It was a lively and productive discussion, featuring speakers such as Manhattan Borough President Scott Stringer; the head of the Mayor's Office of Long Term Planning and Sustainability, Rohit Aggarwala; the President of Newmark Knight Frank, James Kuhn; and other leading developers, city officials, affordable housing developers and advocates.

This fall, our breakfast series will examine the role that community gardens and open space play in neighborhood economic development, and explore the policy tools the City could use to preserve and create new open space. The breakfasts are scheduled for November 7th and December 5th.

## Recent and Forthcoming Publications

The past year has seen an increase in the volume of Furman Center papers. The following articles and book chapters will be released this year:

- The Effect of Community Gardens on Neighboring Property Values. Vicki Been and Ioan Voicu. *Real Estate Economics*, forthcoming.
- Reversal of Fortunes? Low Income Neighborhoods in the 1990s. Ingrid Gould Ellen and Katherine O'Regan. *Urban Studies*, forthcoming.
- What do Business Improvement Districts do for Property Owners? Ingrid Gould Ellen, Rachel Meltzer, and Amy Ellen Schwartz. *National Tax Journal, Papers and Proceedings*, forthcoming.
- Guarding the Town Walls: Mechanisms and Motives for Restricting Multifamily Housing in Massachusetts. Jenny Schuetz. *Real Estate Economics*, forthcoming.
- The Impact of Business Improvement Districts on Property Values: Evidence from New York City. Ingrid Gould Ellen, Amy Ellen Schwartz, and Ioan Voicu. *Brookings Wharton Papers on Urban Affairs*, 2007.
- Government Policies and Household Size: Evidence from New York. Ingrid Gould Ellen with Brendan O'Flaherty. *Population Research and Policy Review* 26(4), 2007: 387-409.
- Does Federally-Subsidized Rental Housing Depress Property Values? Ingrid Gould Ellen with Michael Schill, Amy Schwartz, and Ioan Voicu. *Journal of Policy Analysis and Management*, 26(2), 2007: 257-280.
- Understanding Segregation in the Year 2000. Ingrid Gould Ellen. In James H. Carr and Nandinee Kutty, editors, *Segregation: The Rising Costs for America*. Routledge, forthcoming.
- Do Economically Integrated Neighborhoods Have Economically Integrated Schools? Ingrid Gould Ellen, Amy Ellen Schwartz and Leanna Stiefel. In Howard Wial, Hal Wolman, Joseph Cordes, and Margery Austin Turner, editors, *Urban and Regional Policy and Its Effects*. Washington, DC: Urban Institute Press, forthcoming.
- Spillovers and Subsidized Housing: The Impact of Subsidized Rental Housing on Neighborhoods. Ingrid Gould Ellen. In Eric Belsky and Nicolas Retsinas, Eds., *Revisiting Rental Housing*. Washington, DC: Brookings Institution Press, forthcoming.

## Staff and Faculty

This fall, we are delighted to welcome a number of new faces to the Furman Center. Josiah Madar joined us as a new Law Fellow. Josiah is an alum of NYU Law School and is coming to us from Davis Polk and Wardwell where he has been practicing real estate law for a number of years. Kitty Kay Chan joined us as a new Economics Fellow. She comes to us from the Brattle Group, an economic consulting firm in Washington D.C. This summer, we also hired Stephen Roberts, a recent graduate of NYU's Robert F. Wagner School of Public Service, as a full time Data Manager -- a new, critical position for the Center.

Unfortunately, we are losing an important member of the Furman Center team, Ioan Voicu. Ioan has been with the Furman Center for seven years, during which time he made tremendous contributions to the Center's research. We wish him well as he takes on an exciting position at the US Department of the Treasury in Washington DC.

We also want to recognize the growing number of faculty and adjunct faculty from around NYU who have partnered with the Furman Center on research. We are especially grateful to Kathy O'Regan, Amy Ellen Schwartz, Jerry Salama and Leanna Stiefel.

## Spotlight on Funders

Our work would not be possible with the support of our funders this year, which include:

- Bank of America
- Bank of New York
- Citibank
- Deutsche Bank
- Enterprise Foundation
- Housing Partnership Development Corporation
- JP Morgan Chase
- Lincoln Institute for Land Policy
- Local Initiatives Support Corporation
- MacArthur Foundation
- National Housing Conference
- New York State Association For Affordable Housing
- Surdna Foundation
- Washington Mutual

We especially need to thank the Housing Partnership Development Corporation, which has generously funded a new Future Leaders in Community Development Fellowship. With their support, we will be able to expand the number of Law and Wagner students who work with us in the coming year. HPDC will announce this new fellowship at its [25th Anniversary Luncheon](#) on October 24th. We encourage all those who can to attend.