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Introduction

On October 18, 2016, the Cambridge, Massachusetts Planning Board met, as they do every two weeks, to consider applications for new residential and commercial developments. Among other proposals, they examined an application from a developer who sought to convert a commercial warehouse on Regent Street into four residential units. After representatives for the developer made their presentation, members of the city's planning board asked a variety of fairly mundane questions about the building's structure, focusing on the dimension of the basement windows and the location of bike parking, among other things. The planning board then turned the proceedings over to the public. In most locations, public input is mandated for development proposals that are of a sufficient scale or require exceptions to current land use regulations (Schleicher 2013).¹

While the planning board members initially asked fairly neutral and technocratic questions, the members of the public attending the meeting were considerably more pointed. The first speaker, a resident of Regent Street, observed:²

There are a variety of concerns among various neighbors, but I'll just speak to mine which are the density. I feel is very high. ... I feel that having four

¹ In case studies of zoning codes in six institutionally disparate cities, we found that all solicited public input at multiple stages of the zoning process. Even in famously unzoned Houston, Texas, projects presented before the Planning Commission receive public comment.

² All of these meeting minutes include the names and addresses of the individuals who participated in these meetings. To preserve the privacy of these individuals, we do not refer to them by name in this book.

units in that building with one parking space each is insufficient and that's my objection.

The next speaker – a resident of Regent Street for more than thirty years – came prepared with handouts:

I've done a little research and this is all information from the property database in Cambridge. . . . We're in Zone B, my understanding is that there's a 2,500 . . . minimum square foot requirement per dwelling. And I think this development is very non-compliant and that's my objection. . . . My main objection is to the density that is non-conforming.

The third speaker had lived on the street a whopping eighty years, and had perhaps the most pressing concerns:

We had a great problem, our house was leaning and it was leaning very badly. . . . We had to have work done. It's cost us over \$100,000 to have this work done. My concern is that . . . demolition is going to affect all the work we've done. And not only my house but the house right next to it is having a lot of problems. We don't know what's causing the houses to sink. . . . That's our biggest concern. Of course, the parking and all of that, too, that goes with it.

Another six neighbors spoke afterward. All strongly opposed the proposed four-unit development.

Cambridge law mandates that planning board officials take these concerns into account. The chair of the planning board stated this requirement:

The Board shall evaluate the impact of increased numbers of dwelling units above that normally permitted in the district on the demand for on-street parking by residents and visitors to the proposed buildings. . . . In reaching a determination, the Board may require the applicant to provide elements of a parking analysis as set forth. . . . The Board shall [also] evaluate the impact on residential neighbors of the new housing use and any other proposed use as it may affect privacy. . . . The Board shall consider among other factors the potential negative impacts of the new activity on abutters as a result of the location, orientation, and use of the structures and its yards as proposed . . . *And then, finally, community outreach. The Planning Board shall consider what reasonable efforts have been made to address the concerns raised by abutters and neighbors to the project site.* (emphasis added)

Another planning board member weighed neighborhood concerns heavily:

This board member would find it very, very difficult tonight . . . in light of the input we've gotten from abutters and my review of the documents, to make findings in affirmative. . . . It seems like there is the potential to engage in a more detailed conversation with the community to see whether . . . the

developer can assuage the primary concerns of parking, of density, and the issue of settlement. . . . I would also include the potential . . . for the Board to ask for a parking analysis or a traffic analysis.

A third board member built on these concerns: “In addition to what [the preceding board member] said, I would also request some sort of geotech engineering study done. More than one person mentioned houses sinking based on water.” Other members of the Cambridge Planning Board largely echoed these concerns, similarly rooting them in neighbors’ stated objections at the meeting.

In one of the country’s most liberal cities – one facing rapidly increasing housing costs and frequent bidding wars over limited housing options – a group of neighbors uniformly opposed the development of new housing. Prior to hearing from community members, the Cambridge Planning Board indicated little opposition to the project. The picture was starkly different after the public comment period. The board members agreed that the concerns raised by the participating neighbors were valid, and suggested a variety of measures. In response, the developer undertook additional parking and geotech studies – each of which can cost upwards of \$10,000 – and then returned to the planning board three months later in January 2017. When he returned, the developer not only brought completed parking and geotech studies; he also altered his proposal in a number of ways in an attempt to mollify neighbors’ concerns. The developer said: “A number of the neighbors thought that four units was too many and asked whether we could actually consider having a successful project with only three, and we’ve come to a resolution that we are going to do that.”

The developer also agreed to increase the number of parking spaces from one to two per unit. The planning board was impressed by these changes. The chair of the planning board observed: “Reasonable efforts have been taken to address concerns raised by abutters and neighbors. And I think quite substantial efforts have been taken to address those concerns.”

His views were echoed by the rest of the planning board.

The demands of six individuals resulted in the developer commissioning two additional and highly costly studies. These studies took time and required an additional planning board meeting. Such delay requires the developer to pay additional property taxes and maintenance costs on the property. Even more importantly, these six neighbors reduced the number of units in the building, essentially replacing that space with additional parking for cars. Obviously, these costs and delays are not

ideal for the developer who has to settle for a presumably less profitable project. Whether or not the developer and his bottom line deserve concern and sympathy, this process reduced the supply of housing in a city that desperately needs it. Moreover, the developer ended up constructing fewer units with more parking on the same parcel of land; to turn a profit, he will likely make each unit more expensive.

Building four very expensive condos (per the initial proposal) instead of three *even more* expensive condos would not have materially affected working-, middle-, and even upper-class people's ability to afford to live in the Boston metropolitan area. All that happened is that one well-to-do individual or family was denied one potential choice property, and one real estate developer was forced to accept less than his ideal profit margin.

However, when repeated over and over again – whenever a developer wants to build a new set of townhouses or a homeowner wants to add an accessory apartment – this process has a marked influence on housing availability. Individuals, empowered by local political institutions like planning and zoning boards, shape whether, and how, housing is constructed.

In this book, we analyze and unpack the participatory politics of housing. We present a new theory and new data connecting land use regulations and the individuals that use them. We show how local institutions, designed to enhance participation, actually empower an unrepresentative group of residents – who we call neighborhood defenders – to stop the construction of new housing.

Neighborhood Defenders is fundamentally about the people who participate in local housing politics and the institutions in which they participate. It centers on the motivated residents who show up at meetings to oppose new housing and zoning changes. These individuals use their privileged status as current members of a community to prevent new housing, and thus close its doors to prospective new members.

Many point, correctly, to the role of zoning in drastically shaping local housing markets. But, we cannot simply focus on regulations in isolation from the ways they are used and enforced. Projects are not necessarily stopped by zoning codes alone. They are often delayed, stopped, or altered by interested residents using local land use institutions. Indeed, delay, in particular, is critical and largely under-studied. Time is a valuable resource. Rules and participatory opportunities enable a small group of otherwise limited residents to marshal it to their advantage.

Similarly, many observers have worried about Not in My Backyard (NIMBY) sentiments – the natural psychological tendency to endorse something in theory, but not when it is proposed next door. Analyzing

NIMBY-type attitudes toward new housing alone is also insufficient. Such views, without institutions that empower them, would have a much more limited impact. We study who acts on these attitudes by participating in local housing politics (and, just as importantly, who does not).

Neighborhood Defenders is simultaneously a substantive book about housing policy, and a political science book about local institutions, resident participation, and political inequality. Using a variety of methods and data, we investigate the politics undergirding the housing shortage. Specifically, we ask how regulations and political participation interact to shape where, how much, and what type of housing is built.

RISING HOUSING COSTS

Since the collapse of the housing market in 2008, demand for housing has consistently outpaced supply. In 2015, one million American households competed for 620,000 new units of housing, a shortfall of 430,000 units (Goodman and Pendall 2016). Bidding wars are commonplace in many of the nation's hottest housing markets, especially in more affordable segments such as condominiums, townhouses, and smaller starter homes. In Oakland, California, 84 percent of offers written by Redfin agents – a national online real estate agency – faced bidding wars. Over two-thirds of Redfin offers in Los Angeles, Denver, Seattle, and San Francisco similarly competed against other bids. These bidding contests are disproportionately clustered in the most affordable segments of the market: nationally, 55 percent of offers in the \$200,000 to \$400,000 range and 60 percent of offers in the \$400,000 to \$600,000 range faced bidding wars (Carlyle 2016).

In 2017, the median home price in San Francisco was \$1.29 million. A 20 percent down payment for such a home is \$180,000 – almost \$100,000 more than the median household income in the city. Median earners would similarly fall short in New York and Boston, where the median home prices were \$637,000 and \$585,000, respectively (Martin 2017).

Even turning to rental markets offers scant relief. The median one-bedroom apartment in San Francisco cost \$3,300 per month in 2017 (Zillow 2017). The annual cost of \$39,000 equals 45 percent of the annual earnings of the city's median household. Housing analysts consider an individual to be housing cost burdened if they spend 30 percent or more of their income on housing. To put this in context,

these data suggest that the median family in San Francisco would be cost burdened if it rented the median one-bedroom apartment – a much smaller housing unit than what a typical family would target. These prices place homeownership, and even reasonable commutes, out of reach of many middle-income residents. Indeed, high housing costs spurred the US Department of Housing and Urban Development (HUD) to label San Francisco families of four earning at or below \$105,350 low income, qualifying families with six-figure salaries for subsidized housing (de Guzman 2017).

While San Francisco's market is extreme, an individual or family earning \$80,000 – well above the national median of \$55,000 – would be similarly cost burdened renting a median one-bedroom apartment in multiple coastal housing markets including Washington, DC, Los Angeles, New York, and Boston. Again, this is a striking statistic. These are not individuals attempting to tap into the luxury market or rent five-bedroom units. A person earning \$80,000 would be cost burdened renting an average one-bedroom apartment in these communities.

These problems are not limited to coastal markets. Housing in cities across the country is priced too high for middle-income individuals and families. Such households have to spend more than 30 percent of their income to obtain an average two-bedroom apartment in a diverse set of cities, including Charlotte, NC, and Minneapolis, MN. The picture in Minneapolis is especially stark – the median Minneapolis household would need to spend half of its income to afford the \$2,195 average rent for a two-bedroom apartment (Zillow 2017).

The picture is even bleaker for low-income individuals and families. There is not a single county in the country in which a minimum-wage earner can afford an average two-bedroom rental (National Low Income Housing Coalition 2017). The majority of poor renting families spend *half* of their income on housing (Desmond 2016). Lotteries for government-subsidized housing illustrate the extraordinary pressure faced by very low-income renters. In 2017, nearly 6,000 people applied for 239 subsidized apartments near North Station in Boston (Logan 2017). A 95-unit affordable housing development in downtown San Francisco drew 6,580 applicants (Badger and Kang 2017). When Baltimore's Section 8 housing voucher wait list opened in 2014, 74,000 applicants vied for a spot on the wait list. The Housing Authority of Baltimore City then selected 25,000 applicants *for the wait list*. Of these individuals, less than 9,000 are likely to receive vouchers. The wait list is presently closed until 2020 (Wenger 2014).

City leaders nationwide see housing affordability as a crisis. During the summer of 2017, as part of the nationally representative Menino Survey of Mayors, we asked mayors across the country about housing, amid a myriad of other topics.³ Over half of the mayors we surveyed cited high housing costs as one of the top three reasons that residents left their cities. Housing was the most frequently mentioned policy area – more so than other highly salient policies and concerns like jobs, schools, taxes, or public safety (see Figure 1.1). Housing costs were chief concern for mayors of rich and poor cities alike. Furthermore, only 13 percent of mayors believed that their cities' housing stock was a good match for the needs of their constituents. In a subsequent survey, we asked mayors how many housing units their cities needed to add in the next ten years. On average, mayors said they needed a 16 percent increase in housing units. Achieving this goal over the next ten years would require the rate at which units are permitted and constructed in the average city to more than quadruple.

What's more, mayors largely want to change the *type* of housing their cities were building. On average, mayors would like the share of new multifamily housing to be thirty-three percentage points higher than what currently exists in their cities. Achieving such a goal would likely require substantial change in many neighborhoods, including the

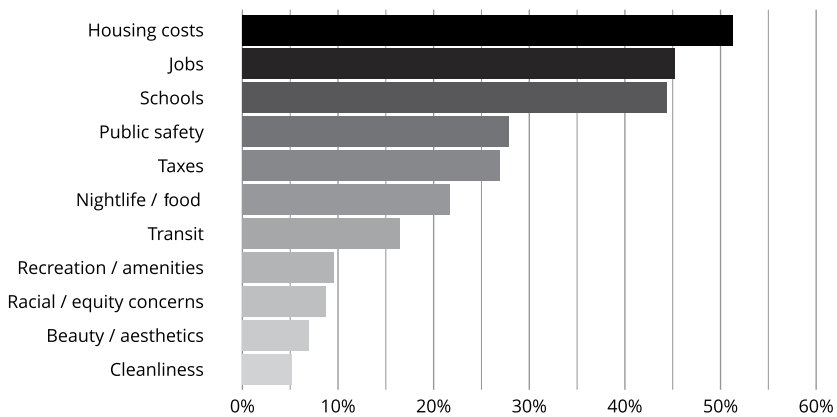


FIGURE 1.1: Survey of mayors: Top three reasons residents leave my city

³ All survey of mayors results come from the 2017 and 2018 Menino Survey of Mayors. The survey is a nationally representative survey of mayors of cities over 75,000. For more details on survey methodology and results, see the full research reports at www.surveyofmayors.com (Einstein, Glick, and Palmer 2018; Einstein et al. 2019).

construction of multifamily housing in neighborhoods mostly made up of single-family homes.

COSTS OF THE HOUSING CRISIS

The failure to construct sufficient housing comes with significant social, economic, and environmental costs. Perhaps most seriously, the lack of affordable housing in areas with high social mobility could have a profound negative impact on many children's life opportunities (Chetty, Herdren, and Katz 2016). Multiple studies have linked housing instability with serious health problems. Public health researcher and physician Megan Sandel highlights the critical role of housing accessibility: "People talk a lot about health, education, or jobs, but they don't often pivot back to housing or where people live. A stable home is the foundation to thrive" (Butera 2018). She (along with her collaborators) surveyed more than twenty thousand low-income families at five urban medical centers nationwide. They found that 34 percent of surveyed families with children four and under experienced some form of housing instability, such as falling behind on rent, moving twice in the past year, and homelessness. These young children were 20 percent more likely to be hospitalized and 25 percent more likely to experience a developmental delay. Older children were three times more likely to experience a depressive episode (Butera 2018; Sandel et al. 2018). Sociologists Matthew Desmond and Rachel Tolbert Kimbro study the effects of eviction – a consequence of high housing costs, among other factors – on mothers. They find negative effects across multiple arenas. Women who were evicted were more likely to experience depression and parenting stress, and reported worse health outcomes for themselves and their children (Desmond and Kimbro 2015).

Housing access also strongly shapes educational opportunities and outcomes. Economist Jonathan Rothwell demonstrates that housing is more expensive in higher scoring school districts. Indeed, home values are \$205,000 higher in neighborhoods with high-scoring schools. When translated into annual housing costs, this means that it is \$11,000 more expensive each year to access housing in high-scoring school districts. While there is a robust debate among scholars about the precise impact of schooling on life outcomes, a large strand of research finds that higher quality schools increase the likelihood of economic success later in life (Rothwell 2018).

In addition, the Obama White House identified unaffordable housing as a key obstacle to equitable job access, arguing that “the growing severity of undersupplied housing markets is jeopardizing housing affordability for working families, increasing income inequality by reducing less-skilled workers’ access to high-wage labor markets, and stifling GDP growth by driving labor migration away from the most productive regions” (White House 2016). Job seekers who would like to move to pursue better opportunities may be unable to do so because of high housing costs in places with more dynamic economies. Moreover, by impeding potential employees from moving, high housing costs may also be stagnating economic growth in many communities (Herkenhoff, Ohanian, and Prescott 2017). Removing impediments to the construction of new housing could increase city median GDP by 10 percent (Hsieh and Moretti 2015).

Many of these negative social, economic, and political costs of the housing crisis are disproportionately felt in communities of color. Housing availability has a profound effect on residential segregation. Land use restrictions that reduce the availability of multifamily housing are in many cases explicitly designed to exclude residents of color (Rothstein 2017; Trounstein 2018). Inadequate housing thus may prevent people of color from accessing communities with the highest quality public resources and services.

What’s more, the insufficient construction of new housing may spur gentrification by pushing more development (and affluent home buyers) into communities of color that lack the resources to mobilize against development. We explore this political process in greater depth in subsequent chapters.

INCREASING THE HOUSING SUPPLY

In this book, we focus on one major contributor to America’s housing crisis: the housing supply. Most economists believe that, to address rising housing costs in many cities, we need to build more housing – especially higher-density, multifamily housing. While there are, of course, a myriad of reasons why American cities are experiencing a housing crisis, one common factor driving rising housing prices across the country is the well-understood dynamics of supply and demand (Quigley and Rosenthal 2005; Glaeser, Gyourko, and Saks 2005; Gyourko, Saiz, and Summers 2008; Glaeser and Ward 2009; Glaeser 2011; Gyourko and Molloy 2014; Goodman and Pendall 2016).

In addition to addressing housing affordability, more housing could also have a multitude of indirect environmental and economic benefits. Indeed, building more housing is integral to increasing the *density* of urban and suburban neighborhoods. Greater density – especially in conjunction with well-planned mass transit networks – would reduce car commuting and allow for the greater preservation of remaining urban green space (Glaeser 2011). The Environmental Protection Agency officially endorses such dense transit-oriented developments as critical to reducing the roughly 16 percent of US greenhouse gas emissions that come from cars and light-duty trucks (Environmental Protection Agency 2017). It suggests that this type of planning has “important consequences for the environment, including air and water quality, climate change, and open space preservation. How communities develop also affects how convenient and appealing public transportation, bicycling, and walking are for their residents.”

Increased density also comes with economic benefits in the form of agglomeration economies. Individuals and businesses benefit from being close together. Greater density facilitates the exchange of information between residents and businesses. It also reduces the costs of production and permits greater specialization (Glaeser 2011; Schleicher 2013).

While the dynamics vary between housing markets, we are not building enough housing in the cities and neighborhoods where it is most needed. What’s more, we are failing virtually everywhere to build enough of the type of housing – dense, multifamily homes – needed to sustainably house low- and middle-income individuals and families, young workers, and the elderly, among others. The most acute housing supply problems are concentrated in the hottest housing markets located disproportionately along the nation’s coasts. But, a broader set of housing markets – including many not typically thought to be the epicenter of housing politics – are failing to build sufficiently, especially in their most desirable neighborhoods, in part because of the political processes highlighted in this book.

POLITICS OF LAND USE

Despite the seeming consensus around building more housing, the housing shortage and affordability crisis persists. Why, if most informed observers believe that we need more housing, are most cities failing to keep pace with growing housing demand? Explanations of America’s