FURMAN CENTER
FOR REAL ESTATE & URBAN POLICY
NEW YORK UNIVERSITY
SCHOOL OF LAW • WAGNER SCHOOL OF PUBLIC SERVICE

Using Neighborhood Data for Policy: Lessons from New York City

Strategic Data Use to Stabilize Neighborhoods

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NYU's Furman Center for Real Estate and Urban Policy

Since its founding in 1995, the Furman Center for Real Estate and Urban Policy has become the leading academic research center in New York City devoted to the public policy aspects of land use, real estate development and housing. The Furman Center, a joint research center of NYU Law School and the Robert F. Wagner School of Public Service, is dedicated to:

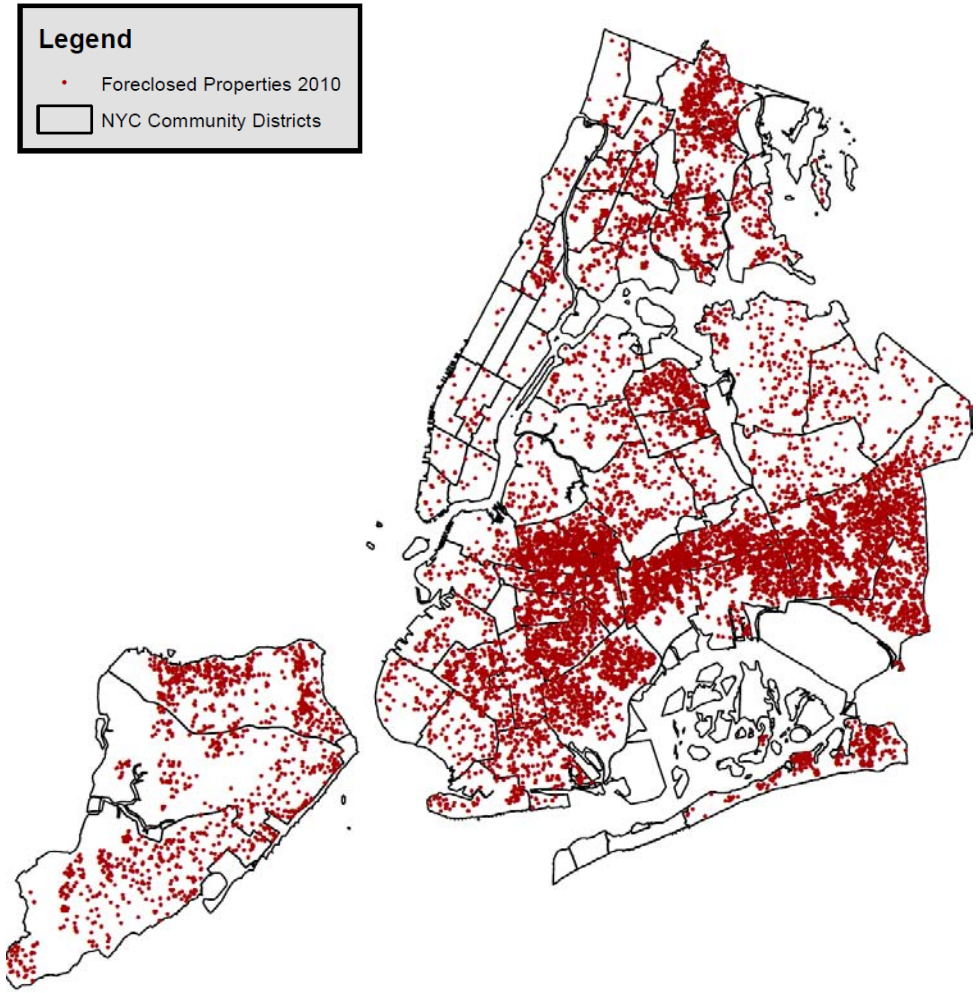
- Providing objective academic and empirical research
- Promoting frank and productive policy discussions
- Presenting essential data and analysis

The Effect of Housing Investment/ Disinvestment on Communities

- Disinvestment
  - Impact of foreclosures on crime in surrounding area
- Investment
  - Impact of subsidized housing investment on surrounding property values

Foreclosed Home in Brooklyn

Properties that Entered Foreclosure, 2010

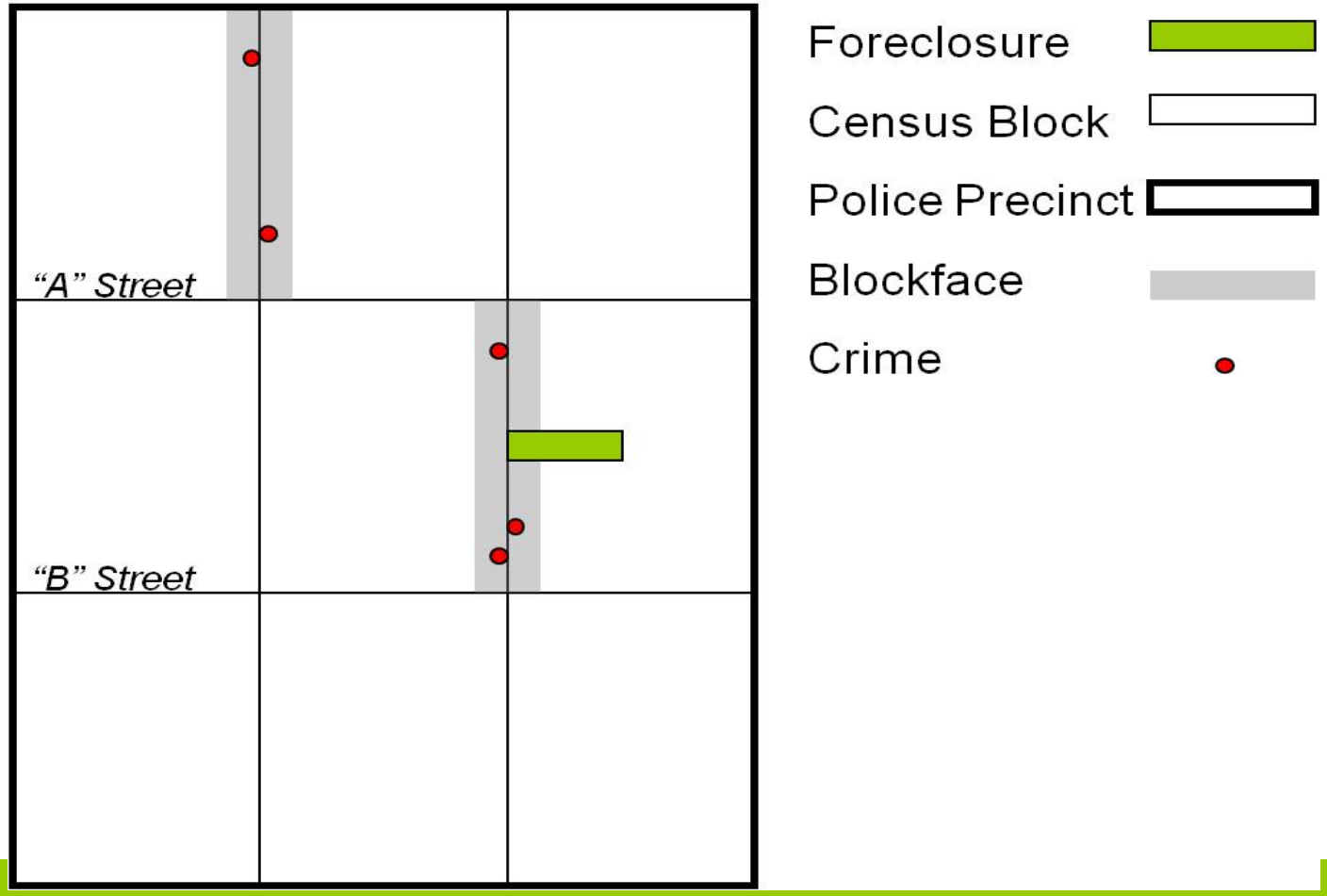


Empirical Challenge

- Blocks where foreclosures tend to occur are likely to be systematically different from other blocks – and are likely to have more crime.

- We need to 'weed out' these baseline differences to test if additional foreclosures actually lead to additional crime.

Geographic Unit of Analysis: Blockface



Data Needs and Sources

- Parcel-level foreclosure data for multiple years
  - Foreclosure notices (private vendor)
  - Property sales(NYC Dept of Finance)
    - To identify foreclosure outcomes – e.g., sales, entry into REO, and sales out of REO
- Property characteristics
  - NYC Dept of Finance
- Address-level crime data for multiple years, by type
  - NYC Police Department

Key Results

- An increase in foreclosure activity on a given blockface is followed by an increase in crime.
  - No evidence that crime today predicts future foreclosure activity.
- Effects are strongest for violent crime and public order crime.

Outreach to Community and Policymakers

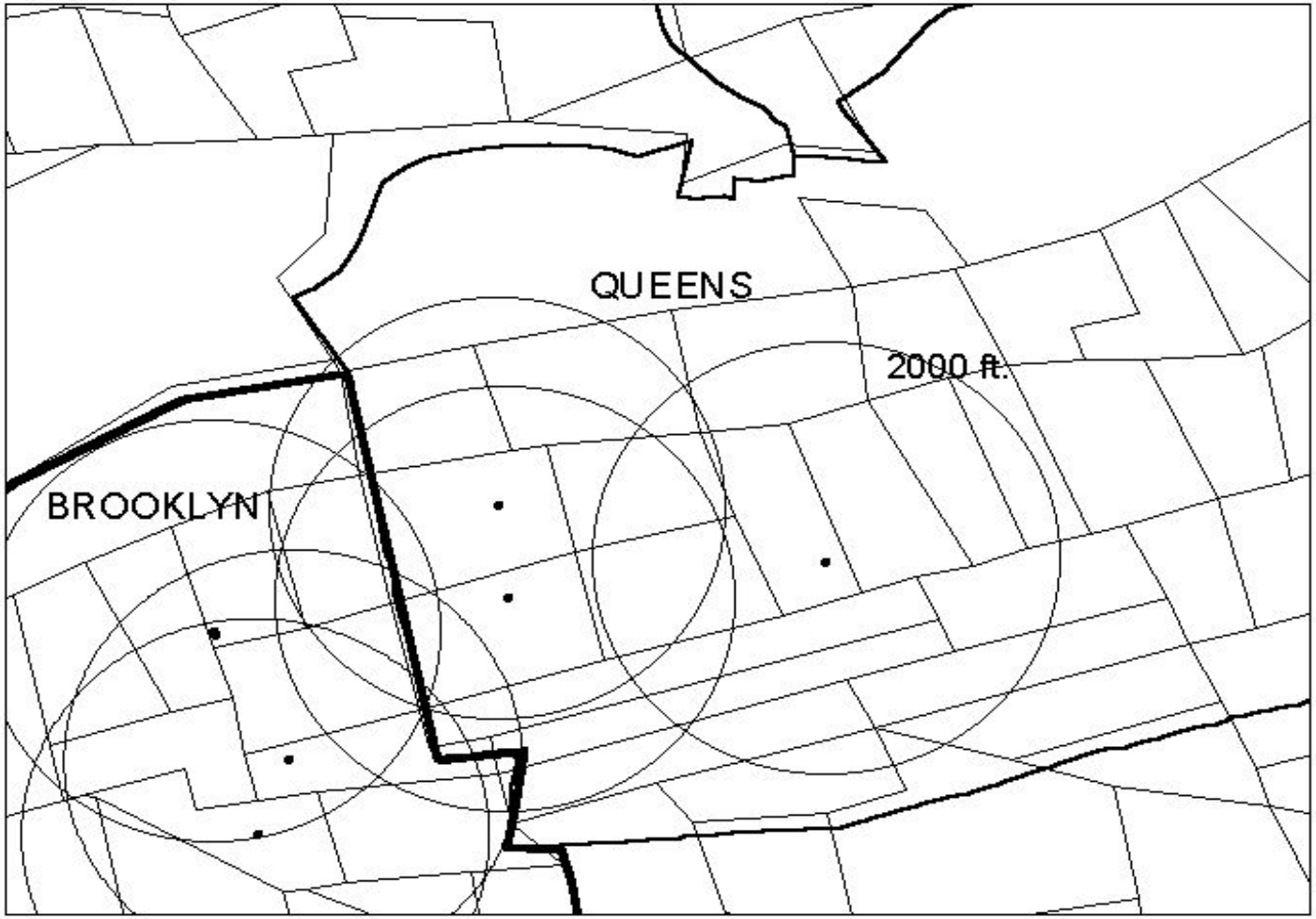
- Presentation to NYPD
- Roundtable discussion about results with local community groups, housing agency officials, foreclosure prevention advocates, and police
- Will release broader policy brief

Before/After Subsidized Housing Investment

New York City Housing Programs

- Ten Year Plan, 1987-2000
- City invested $5.1 billion in housing rehabilitation/construction
- Created 66,000 new housing units
  - 22,000 units created through new construction
  - 44,000 units created through gut rehabilitation of formerly vacant buildings

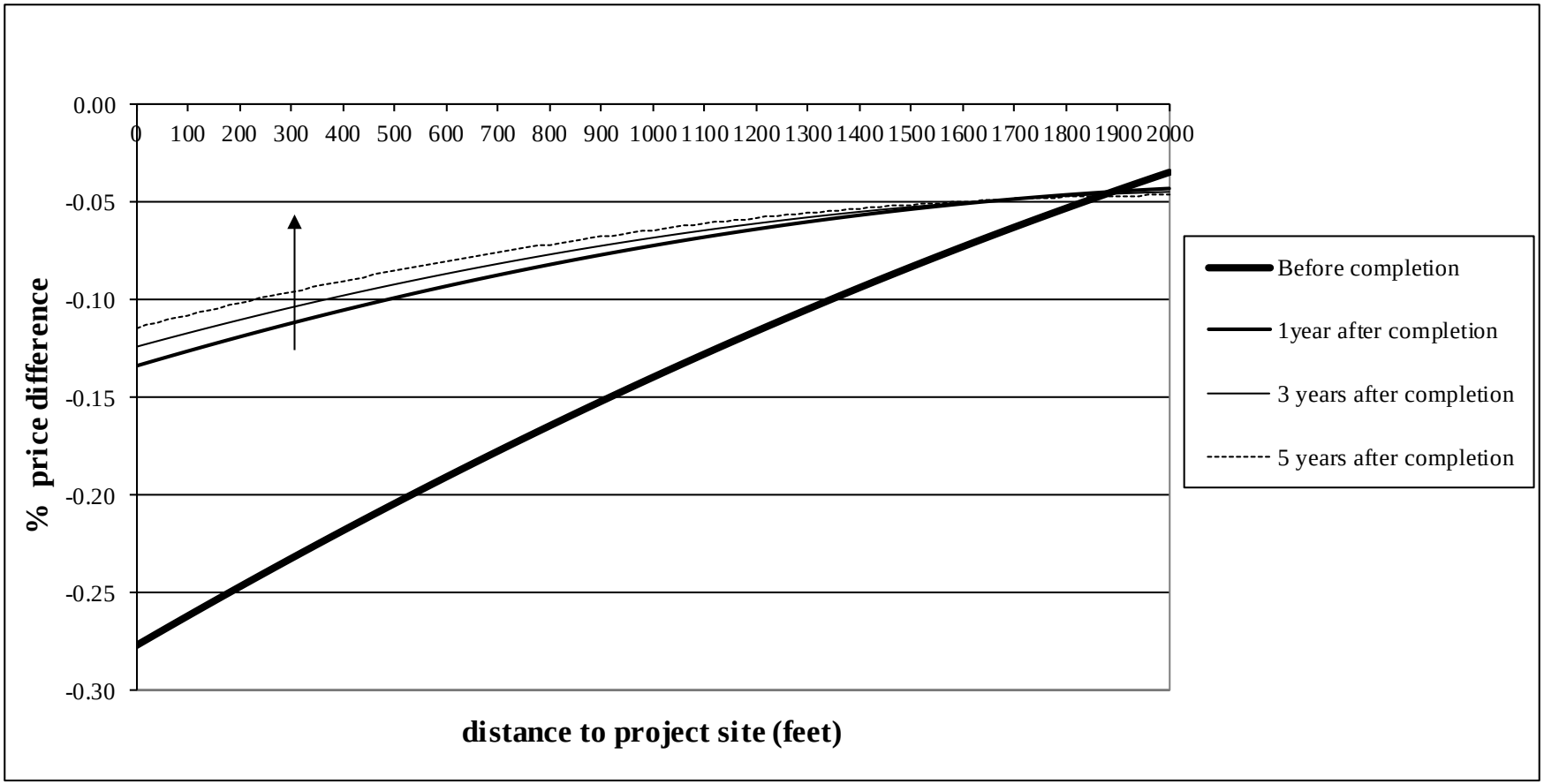
2,000 ft. Rings Surrounding Ten Year Plan Developments Near the Brooklyn/Queens Border
– Census Tract Map -



Data Needs and Sources

- Data on property transactions in the city from 1980 to 1999 (294,000 sales)
  - NYC Department of Finance
- Data on characteristics of every property
  - NYC Department of Finance
- Data on location and characteristics of Ten Year Plan new units (66,000 units)created 1987-2000
  - NYC Dept of Housing Preservation and Development

Prices of Homes Near Subsidized Housing Sites Rise Relative to Other Properties After Completion of Average-Size Project



Outreach to Community and Policymakers

- Presentation to NYC Dept of Housing Preservation and Development
- Presentation to local housing developers (nonprofit and for-profit) and advocates
- Presentation to NYC Office of Management and Budget
- Testimony at congressional hearing

Lessons

- Need for ongoing relationships with city agencies
  - Provide critical data
  - Help interpret results
  - Use results for policy
- Need for ongoing relationships with community groups
  - Help identify key issues and interpret results
  - Use results on the ground
- Need for careful and rigorous data analysis