



Housing crisis can be managed

By James Stergios

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Housing—especially affordable housing—is one of the most pressing political issues in Massachusetts today. Identifying the problem is easy; demand outstrips supply because the cost of building is prohibitive.

To address the problem we could reduce regulatory, zoning, and permitting restrictions. We could, for example, allow for accessory zoning, which would let people carve out a small apartment in single-family houses. We could also facilitate building residential units on existing strip commercial developments and in town centers.

There is agreement across a wide political spectrum that these steps would help address demand in the general housing market. But we can also make better use of our publicly subsidized units.

It is next to impossible to build new subsidized units. As Speaker Tom Finneran noted at a recent forum marking the release of the Pioneer Institute white paper, *Build More or Manage Better? Subsidized Housing in Massachusetts*, neighborhood and local associations, whether made up of Mayflower descendant wannabes in Lincoln or the African-American working class in Mattapan, do not want subsidized housing in their neighborhoods.

Some call these people snobs, but the reality is that they want to protect what they own and keep their kids away from what they see as a bad element. These attitudes make building more units a political non-starter.

The fact is that we already have an extensive inventory of subsidized housing. Massachusetts is third among the 50 states in federally funded housing units per capita (2.58 units for every 100 people). The commonwealth is also one of only two states to fund developments. Yet despite having more subsidized housing units than almost anybody else, we still have a crisis.

Given these realities, *Build More or Manage Better?* looks at whether we could provide relief for at least a significant portion of the thousands currently on waiting lists by making better use of existing resources.

The study found that reducing subsidized housing vacancies in Boston to the same level as New York City would make another 600 units available. Reducing the city's number of "mismatched" units—units with more bedrooms than residents—to New York's level would add over 2,000 bedrooms.

Two policy changes would have an immediate impact. Reforming the commonwealth's antiquated construction laws would allow us to rehabilitate currently uninhabitable units at a more reasonable cost, and shifting from numerous municipal waiting lists to a single statewide list would help alleviate the mismatched units problem.

Finally, reducing tenancy tenure would make more units available. Given the high cost of housing in Massachusetts, tenants tend to stay in subsidized housing longer because they lack realistic alternatives.

One way to reduce tenancy tenure would be to transform subsidized housing into a tool for helping tenants achieve self-sufficiency. Such an effort would require much hard work and couldn't be done on the cheap. Any successful program must be properly targeted, and include support services and properly aligned incentives. Efforts should concentrate on families with children but no father present. The two other broad categories of tenants—the elderly and disabled—face even more intractable obstacles to social mobility. Single mothers would be given counseling,

child-care, and job training. Governor Swift's proposal to let training satisfy the work requirement for receiving state benefits is an important step in the right direction. In exchange for the increased support, tenants would agree to limit their tenure in subsidized housing. Participation would be voluntary. Those on waiting lists for subsidized units would be given priority if they agreed to take part. A similar program is already being piloted by the federal Department of Housing and Urban Development in Charlotte, North Carolina.

Providing these services would be expensive, but still far cheaper than the \$250,000 per unit it can cost to build more affordable housing. More importantly, it could help spare subsidized housing tenants from the ravages of long-term poverty and dependence. History has conclusively shown that governments can't build their way out of this problem. Together with creating the right incentives, we would do better to invest in people than in bricks and mortar.

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