

**Affordable Housing Myths**  
provided by the Southeastern Connecticut Housing Alliance

**Myth #1: "Affordable housing will lower property values in my community."**

**Response:** A number of studies have documented that contemporary affordable housing developments have no impact on nearby property values, and in some cases contribute to increased property values. Studies conducted have found that "proximity to nonprofit-developed subsidized housing actually enhances property values." Studies of low-income family housing developments in suburban areas have even revealed that affordable housing can have a positive impact on surrounding property values. Numerous studies over time from around the country support the general notion that affordable housing has no negative impact on surrounding property values.

**Myth #2: "Affordable housing residents won't 'fit in' to our community; or affordable housing will lead to an increase in crime in my community."**

**Response:** This objection is often a code term for racist attitudes against blacks and Latinos since the media paints people of color, particularly those in public housing, as "the face" of affordable housing. In most cases, however, people who need affordable housing are already members of the community no matter what their race. They are senior citizens living on fixed incomes and families working entry-level and low-wage jobs. They are preschool teachers, travel agents, food service workers, clergy, and medical assistants. There is no evidence that affordable housing brings crime to a neighborhood. Whether a development will be an asset or a detriment to a community more often turns on basic management practices: careful screening, prudent security measures, and regular upkeep.

**Myth #3: "Affordable housing developments are a waste of taxpayer money."**

**Response:** The largest subsidy for housing in the United States is the federal homeowner mortgage interest tax deduction which totaled \$108 billion in FY 2003. This is more than three-and-half times the entire budget for the U.S. Department of Housing and Urban Development, and larger than the budgets of every state except California. And it's high-income families who benefit - approximately 50% of these benefits went to the top 11% of all U.S. taxpayers. [ 3 ] Homeownership, therefore, is not the embodiment of self-sufficiency and independence from public subsidy as the rhetoric purports. The reason units at a redeveloped or newly constructed "affordable housing" building can be offered at below-market rents or purchase prices is that the up-front acquisition and development costs of financing would be reduced by federal tax credits and grants. In other words, the day-to-day operating costs and the rental income would not be subsidized by the municipality.

**Myth #4: "Land in my community is too expensive for affordable housing."**

**Response:** Expensive land doesn't automatically exclude the development of affordable housing. Sometimes it's a better bargain because the land is in better shape. Less expensive land is often in poorer shape and requires more site preparation and increases the overall development costs.

**Myth #5: "Affordable housing will look like "cheap housing."**

**Response:** Affordable housing must comply with the same building restrictions and design standards as market-rate housing. Because it is often funded in part with public money, sometimes it needs to comply with additional restrictions and higher standards than market-rate housing. Affordable housing is not affordable because it's built with "sub-quality" materials; it is affordable in the sense that it is less costly to live in because it is supported by additional public and private funds.

**Myth #6: "Affordable housing will bring more traffic to the community."**

**Response:** Studies show that affordable housing residents own fewer cars and drive less often than those in the surrounding neighborhood.

**Myth #7: "Affordable housing will bring lots of large families to the community, thereby increasing the burden on schools and roads."**

**Response:** According to the U.S. Census Bureau, rental apartments have fewer children per unit on average than owner-occupied, single-family housing; rental apartments contain a lower percent of units with one or more school aged children; and rental units have a lower average number of motor vehicles per unit. Although not all multi-family rental units are affordable, they make up the bulk of affordable housing.

**Myth #8: "Affordable housing doesn't contribute to the local tax base and overburdens the local property tax system."**

**Response:** Nationwide, the effective tax rate (property tax paid relative to the market value) for multi-family complexes is significantly higher than single family homes. Thus, multi-family developments pay their "fair share" in local property taxes. Furthermore, as stated above, multi-family housing actually produces less burden on the local tax system in terms of new services generated than single family homes.