

**Debunking the Myths
About Multi-Family Housing**
by Greg McConnell, Esq.

The other day I was asked to help make the case for getting the necessary permit approvals to build 200 residential rental units on a parcel of empty land that is zoned for industrial use. This parcel was the site of oil wells that have long since squeezed all of their black gold to the surface. It has been cleaned up, detoxified, and now awaits useful development.

As I readied myself for the inevitable opposition that comes from neighbors, I looked at various studies that have been made which show the desperate need for quality rental housing and the benefits that flow from development.

Workforce Argument - Teachers, police, firefighters, librarians, nurses, and other community resource people must be able to live in the communities they serve. If not, these community resources will opt to work in other locales where they can find housing.

Economic Development - Surveys around the nation point to unaffordable housing as the number one impediment to getting businesses to relocate. This is especially true in California where more and more businesses are considering relocating out of the state because their employees do not have enough gold to live in the golden state.

Gridlock - The reason it takes two hours to make a 30-mile drive is because too many people are commuting long distances to get to work. When I drive from Hercules to Berkeley, a twelve mile commute, I am not competing with local residents for highway space; I am competing with long distance commuters from, Fairfield, Vacaville, Sacramento and points east. Interstate 580 drivers compete with drivers from Tracey, Stockton and Modesto. That's why it takes hours to get from Oakland to San Francisco.

The list of good reasons for more multi-family development goes on and on. By now, only the most information-resistant people don't know that we have a housing crisis and that we are millions of housing units short.

Armed with these arguments, I was confident that I could persuade people to do the obvious and agree to allow transformation of this wasteland into housing that could help fill the need. Who could resist?

That is when the truth unfolded. Community opposition to multi-family development is rampant. Visceral "anti-apartmentism" is based upon biases and prejudices that are completely unwarranted. People hear of development and immediately think of crime, overcrowding, demands on social services, and most important, reduced property values.

Debunking the Myths

How do we get past this? How do we convince communities that it is in their best interest to allow smart, responsible development when most of their opposition is based on misinformation? One answer is to debunk the myths.

The National MultiHousing Council has put out a very good report that makes the case for multi-family development. In *Creating Successful Communities: A New Housing Paradigm*, NMHC goes right to the heart of community opposition and gets to the core of the bias and prejudice against multi-family housing. Here are ten myths that are debunked in the report.

Myth #1: The dream of homeownership is universal.

Reality: Apartment living is gaining in popularity, particularly among higher-income households.

Myth #2: Apartment residents do not pay for the services they use.
Reality: Apartment residents pay property taxes via rent, and often at a higher rate.

Myth #3: Apartments disproportionately burden school systems.
Reality: Single-family owners have three times as many school children.

Myth #4: Apartments bring traffic congestion.
Reality: Apartment residents own fewer cars and are more likely to use public transportation.

Myth #5: Apartments bring down property values.
Reality: Homes near apartments maintain their values.

Myth #6: Apartments increase crime rates.
Reality: Apartments help create safe and secure neighborhoods.

Myth #7: Homeowners make better citizens.
Reality: Homeownership is not required for good citizenship and strong neighborhoods.

Myth #8: Apartments increase local infrastructure costs.
Reality: Apartments use municipal infrastructure more efficiently.

Myth #9: Americans oppose higher density development.
Reality: Consumer acceptance of higher density development is understated.

Myth #10: Homeownership should be our top housing policy priority.
Reality: Apartments are uniquely qualified to address many of our most pressing housing needs.

Why Housing Providers Should Support More Housing

Some existing rental property owners may ask: "Why should I support more development? Doesn't that create competition for my properties?" Of course it does. But consider this. The policy makers who don't allow adequate development use this as an excuse to develop regulatory policies to "protect tenants." Every rent and eviction control law is justified on the theory of a housing crisis, and spurred on by an inadequate supply of affordable housing.

The only way to solve the problem is to create more housing. So to those who rant against development as though they are protecting their interests, I offer the following two options. 1.) Either maintain the status quo and increase regulatory intervention, or, 2.) Support the development of sufficient housing and eliminate the need for regulation.

NEW OAKLAND TAXES

Oakland is one of the few cities that bucked the trend on new taxes. The voters approved Measure Y that adds approximately \$66 a door in new taxes for apartment owners and \$80 for single-family homes.

Measure Y is the third attempt in as many elections to add new taxes for more police officers. Mayor Jerry Brown, City Council President Ignacio De La Fuente and the entire Council worked together on this measure. The business community supported them and it is reported that a significant number of property owners also held their collective noses and agreed to support the new taxes so they could get the bad guys off the streets.

While no one likes new taxes, the voters seem to acknowledge that Oakland will not get over its chronic underachieving and "almost there-ism" as long as it has a high number of murders and violent crime. City leaders promise that passage of Measure Y will move the city in the right direction. Hopefully, they are right.

CITY OF ALAMEDA'S INFAMOUS DISTINCTION

One would hope that in this day and age discrimination would be dead. But according to a recent report by Sentinel Fair Housing, it is very much alive. The city of Alameda, right here in the heart of the most liberal region in the United States, has been labeled the most discriminatory city in the nation. According to Sentinel, 42% of landlords subjected to random testing discriminated against African Americans.

The discrimination took the form of discouraging African American applicants, refusing Section 8 when the applicant was black, charging them more for security deposits, failing to return their phone calls, and charging African Americans more for rent than they did whites.

Racial discrimination is intolerable! There is no excuse for any landlord to treat people differently based upon their color. Nor, is there any moral, legal, ethical, or contorted rationale, which would justify higher housing costs based upon melanin levels. Anyone who cannot figure this out in 2004 should not be in business.

Readers of this column know that we encourage Section 8 participation by some owners and defend the right of others to refuse to participate. This position is based upon the fact that Section 8 has many rules that require owners to know how to navigate through the system. Owners who specialize in this market can be successful in dealing with the government and the needs of their tenants. On the other hand, owners who are not adept at this can get into trouble easily.

So, while we support discretionary participation, we absolutely oppose discrimination. Bottom line – if you choose to participate in Section 8, do it in a color-blind fashion or don't do it at all.

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