Developing a Plan for Housing and Economic Development
The University of Massachusetts and the Town of Amherst
czbLLC
March 4, 2014
What We Think You Have Asked For

Assistance designing and guiding a process to develop a plan for housing and economic development
What We Think This Means

Assistance designing and guiding a process to develop a plan for housing and economic development

Help translating the studies you have into an action plan that has a high likelihood of being implemented
Our Hunch

Assistance designing and guiding a process to develop a plan for housing and economic development

Help translating the studies you have into an action plan that has a high likelihood of being implemented

Amherst has not acted *not* because it lacks analyses, or even a plan, but because there is resistance to implementation and because implementation is hard
Question

What is czb’s experience with providing actionable best practices to clients like Amherst and UMass?
What czb offers

• We use a creative, market-oriented approach, with a **community and neighborhood focus**.

• Quickly collect and use **the right data and community feedback** to tell an important story, and translate that story into actionable **policy**. This is what czb does best.
Question

How would you summarize some of your key findings from previous work?
College towns are ground-zero for the two-tiered economy we’re moving into.

... We’ve learned important lessons from men that we’ve worked in...
Economic strength and a high quality-of-life can make a housing market and income ladder **top-heavy**

- Between 2000 and 2012, Boulder replaced nearly 7,000 owner units valued below $300,000 with more than 7,000 units valued above $500,000

- Amherst values are increasingly outpacing those in surrounding communities:

```plaintext
<table>
<thead>
<tr>
<th>Year</th>
<th>Tier One</th>
<th>Amherst</th>
<th>Hampshire</th>
<th>Franklin</th>
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<tbody>
<tr>
<td>1987</td>
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czb work in Boulder, Lexington, Chapel Hill
A university can be the **driving force** behind price appreciation, particularly among rentals.

- In Amherst, apartments renting for less than $750 fell significantly.
- In Lexington, as student enrollment at the University of Kentucky reached an all-time high, **so did rents**.

### Renters by Gross Rents

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>Change</th>
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<tbody>
<tr>
<td><strong>Net</strong></td>
<td></td>
<td></td>
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<tr>
<td>Amherst</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Households</td>
<td>9,174</td>
<td>9,259</td>
<td>85</td>
</tr>
<tr>
<td>Renter Households</td>
<td>5,043</td>
<td>5,001</td>
<td>-42</td>
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<tr>
<td>0-$499</td>
<td>1,075</td>
<td>625</td>
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<tr>
<td>$500-$749</td>
<td>1,878</td>
<td>607</td>
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<tr>
<td>$750-$999</td>
<td>1,104</td>
<td>970</td>
<td>-134</td>
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<tr>
<td>$1,000-$1,499</td>
<td>718</td>
<td>1,855</td>
<td>1,137</td>
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<tr>
<td>$1,500-$1,999</td>
<td>145</td>
<td>681</td>
<td>536</td>
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<tr>
<td>$2,000 +</td>
<td>79</td>
<td>264</td>
<td>185</td>
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<tr>
<td><strong>Median Gross Rent</strong></td>
<td>$687</td>
<td>$1,078</td>
<td>$391</td>
</tr>
</tbody>
</table>

czb work in Boulder, Lexington, Chapel Hill
Student housing can be a **destabilizing** force, so it’s critical that the community and the U negotiate off campus impacts.

Non-conforming uses; parking impacts; noise impacts; negative property maintenance impacts; negative aesthetics.

czb work in Oswego, NY; Bowling Green, OH; Chapel Hill, NC
Student housing can be a *destabilizing* force, so it’s critical that the community and the U negotiate off campus impacts.

In Oswego, clusters of student housing overlapped with quality of life concerns, lower values and weaker neighborhood demand.

Properties in worst condition are where students are living...and importantly where rental property owners have significant power.
Student housing can be a **destabilizing** force, so it’s critical that the community and the U negotiate off campus impacts.

Mapping off-campus renters and disorderly conduct incidents in Bowling Green highlighted the degree to which the two overlapped:

Overlap of off-campus student renters w/ disorderly conduct
Student housing can mask **weak demand** among homeowners in historically stable neighborhoods.

Take students out of the picture for a moment...
- What kind of place would you get?
- What kind of place do you want?

According to the RKG study, Amherst is losing younger owners, who are moving elsewhere for “housing choice, affordability,... and... amenities that may not be accessible in Amherst.”

czb work in Oswego, NY; Bowling Green, OH; Chapel Hill, NC
Communities and universities that collaborate reap tangible rewards

Commercial real estate that appeals to BOTH

Infill development that does not concentrate students

Negotiated on/off campus housing percentages

Equitably distributed impacts

czb work in Oswego, NY; Geneva, NY; Chapel Hill, NC
Best practices elsewhere in Philadelphia, Minneapolis
CRUX of What We Have Learned

Data → Knowledge → Plan → Action

The data may tell you that you have

- a cadre of entrenched slum landlords renting by the bedroom
- a weak market temporarily buoyed by off campus students
- in students, a destabilizing force that requires costly code enforcement and police services

And may trigger the drafting of a plan with important elements

- negotiated on/off campus ratios
  - occupants/structure limits
- development rights transfer program

BUT IF YOU DON’T HAVE THE WILL TO IMPLEMENT
better data, more knowledge, and another plan is not the answer
How czb can be a good partner to Amherst and UMass

WE CAN TRANSLATE INFORMATION

- We know how to convert data to policy
- We know how to use data to tell a story
  - If you do nothing differently, ________ will be your future
  - Alternatively, ________ this could be your future

- We understand resident concerns
- We understand planning language
- We understand developer requirements for profit
- We understand the pressures on universities to make enrollment, and
- We understand the fiscal realities of cities and towns
What we CANNOT do

✓ We can get you inside the 10 yard line, we **CANNOT** score for you

✓ We can do the math, and show you our work, but we can’t act for you

✓ We can find the sweet spot b/w carrots and sticks, but change won’t be painless
What we think Amherst and UMass *may* need

Negotiated Agreement Based on B/C → Action

✓ Students are GOOD...they add revenue and tax value
✓ Students are also BAD...undergraduates are rarely good neighbors
✓ It means the community impacts of students (good + bad) have to be shared equitably

✓ Students are also GOOD, in that their demand pushed values UP
✓ Students are also BAD, in that student demand prices out local working households
✓ That means the market impacts of students (good + bad) have to be shared equitably
Question

How should the Town of Amherst think about the potential revenue and cost of new, taxable student housing?
Be sure to capture the true costs

- Determine the relationship between the **density** of student housing and the **cost of management**.

- Collect and quantify the **cost of not adding more student units**:
  - The impacts (on property values, neighborhood quality of life and stability, housing affordability, etc.) of both the excessive unmet demand for rental housing and the conversion of single-family homes into student housing.
Question

How should the Town of Amherst think about the relationship between a new University Drive district and downtown?
Think **complement**, not competitor

**Don’t** focus all student attention on University Drive.

See that **both** districts house a **range** of uses.

Look for ways to connect the two (pathways, signage, etc.)

  - Current plans and policies feel like zero-sum
How do you intend to use the GIS resources of the University and Town of Amherst?
As a key decision-making tool
Putting it all together

Data → Knowledge → Plan → Negotiated Shared Impacts Agreement

czb