

# Opposition to development or opposition to developers? Experimental evidence on attitudes toward new housing

Paavo Monkkonen and Michael Manville • 2020

# **Research Topic**

One way to address California's housing crisis is, not surprisingly, by building more housing. One of the biggest obstacles to new housing, especially higher density housing in expensive neighborhoods, is neighborhood opposition. This opposition, often called Not-In-My-Backyard, or "NIMBY," opposition, ultimately undermines affordability and sustainability at a regional level in growing metropolitan areas.

What drives NIMBY opposition to new housing? Most NIMBY research has focused on why homeowners oppose subsidized affordable housing. While people near these developments often worry about traffic congestion and strained local services, affordable developments also raise concerns among neighbors precisely because they are subsidized, which can trigger reactions ranging from anxiety about change to unpleasant biases against lower-income people. Comparatively little research has been done to understand why neighbors might oppose market-rate development, even though market-rate developments are more common and should be less threatening — most neighbors, after all, live in market-rate housing.

Using a survey-framing experiment, we examined the reasons for opposition to market-rate development, and focused in particular on the idea that local residents might oppose new development in part because they resent the idea of developers earning profits. Our findings present new challenges for planners and policymakers who are interested in addressing housing shortages and affordability through increased market-rate supply.

# Study

With the help of a survey firm, we administered an online survey-framing experiment to more than 1,300 people in Los Angeles County. This type of experiment randomly assigned respondents to a control group or one of several treatment groups, and used that random assignment to evaluate how attitudes change in response to different contexts, or frames. The frames for this experiment included: traffic and parking, neighborhood character, strain on services, and developer profit. This method allowed researchers to isolate arguments against new housing and measure their relative persuasive power.

# **Main Findings**

- Anti-developer sentiment is a powerful source of opposition to new housing. Opposition to new development increases by 20 percentage points (relative to a control group) when survey respondents are told a developer will likely earn a large profit from the building.
- Other concerns, such as traffic, change in neighborhood character, and strain on local services, also resonate with neighbors. But the developer profit frame has the largest association with opposition to development. Figure 1 shows that the odds of opposition from someone given the "traffic/parking" frame were nearly twice that of a control respondent, while the odds of opposition from someone in the "developer profit" frame were nearly three times higher. Thus while some opposition to housing is motivated by residents' fears of their own losses, some also seems rooted in resentment of others' gains.

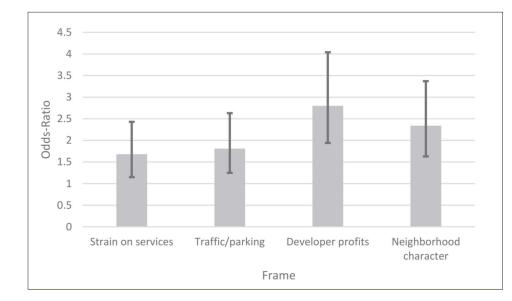


Figure 1.

Odds of opposing new housing development by frame, with 95 percent confidence intervals

Opposition to new development can be mitigated by a community benefits package. Respondents were almost twice as likely to support a new development after seeing a developer voluntarily offer benefits such as extra parking spaces, a donation to a local school, and streetscape improvements.

## Recommendations

- Future research should explore residents' reactions to the "developer profit" frame. Survey experiments are useful, but the finding here needs further testing. For example, does this negative reaction show a distaste for the idea of profiting from housing itself, a reaction to the idea that the profit is the result of influence-peddling over planners, or both? A better understanding of this reaction can help planners and policymakers address opposition to new housing.
- Proponents of new development should not dismiss all opposition to housing. Many concerns that arise about new housing are about housing as a product, not about the nature of its producer. Moreover, the lobbying and capital required to support it can make new development in expensive cities a lightning rod for concerns about inequality. As a result, communities suspicious of development will clamp down on it.

Planners and policymakers should better understand the implications of regulations on developers, like exactions and community benefits packages. Such regulations might soften opposition to development, but they can also make development more difficult. As regulations on developers increase, only the most deep-pocketed and aggressive developers can afford to build, which might reinforce negative stereotypes about development.

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### For More Information

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