

THE YIMBY MOVEMENT

HISTORIC PRESERVATION'S RESPONSE



PlaceEconomics
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INTRODUCTION

Across the country, cities are grappling with dramatically high housing costs and seeking answers to provide affordable housing for residents of all incomes. In recent years, the YIMBY movement has gained speed as one possible solution, advocating for deregulation and a developer-driven approach to housing production. As a land use tool that regulates development, historic preservation has become a target of YIMBYism in some cities. The accusation that preservationists are reactionary, NIMBYist, or anti-development is not new. However, the YIMBY argument, with its specific focus on removing all barriers to development in pursuit of affordable housing, requires a direct response. This paper outlines the YIMBY movement's philosophy and makes the evidence-based case in response to the YIMBY attack on historic preservation.

THE YIMBY MOVEMENT AND PHILOSOPHY

The YIMBY movement, which stands for "Yes In My Backyard" is a pro-development movement that began in the San Francisco bay area in the 2010s. According to the Yes In My Back Yard.org website, "YIMBY's mission is to end the housing shortage and achieve affordable, sustainable, and equitable housing for all."

YIMBYs position themselves as a counter to the NIMBY, an infamous figure who would say "Not In My Backyard" to a development of demonstrable public good that they fear might affect their property values, quality of life, or neighborhood character. YIMBYs, alternatively, fashion themselves as the neighbors who say yes to new development in their neighborhoods. In the context of rising housing costs nationwide, YIMBYs argue that all housing development, regardless of character or affordability, will resolve the housing crisis; they take the position that housing affordability is reducible to an issue of supply and demand.

Part of the YIMBY appeal is the simplicity of the proposed solution. There is an affordable crisis affecting nearly every city in the country, and they believe this crisis is caused by a housing shortage. The thinking is this: deregulate the development process as much as possible so that a market rate housing construction boom can occur. The flood of new housing will help stabilize high rental costs as wealthier households move into new, more expensive units, opening up their previous lower cost unit to a lower-income household. This process is known in housing economics as "filtering."

YIMBYISM IS A PRO-DEVELOPMENT MOVEMENT THAT ADVOCATES FOR DE-REGULATION TO PROMOTE HOUSING PRODUCTION.

2 The Historic Preservation Response to the YIMBY Movement

There are several basic flaws in the YIMBY premise. Firstly, YIMBYism applies an uncritical lens to what type of development is needed to address the housing shortage, arguing that the production of market rate and luxury housing will trickle down to impact housing costs for lower and moderate income households. Demand for affordable housing is the most acute for housing on the low cost end, but YIMBYism responds with supply on the market rate and luxury end. Even if one accepts the underlying premise that housing availability can trickle down, YIMBYs themselves acknowledge that this process can take years, if not decades. In some cities, YIMBYs have even argued against inclusionary zoning, which would require developers to include below market rate housing units in their developments. In short, YIMBYs believe that any imposition on the development process or outcomes will hurt overall housing production.

Secondly, YIMBYism relies heavily on the principle of supply and demand, and that an increase in supply will influence household behaviors. It asks us to believe that households seek out new, more expensive housing as it is built, so long as they can afford it. But there are a multitude of reasons that people do not move: they like their unit, they like their neighborhood, moving is hard and expensive, or they simply don't want to spend more on housing, even if they could afford it. The evidence that this is true can be found in the scores of half-filled luxury apartments dotting cities across the country.

The idea of the YIMBY as a friendly and welcoming neighbor offers an approachable face for a large, well-organized, and well-funded movement to deregulate cities, outsourcing all decisions about the development of neighborhoods to the whims of the real estate industry. YIMBY arguments are often framed using social and environmental justice language, while the policies they support are decidedly contrary to those goals. It is important to point out that YIMBYs frequently clash with affordable housing activists in their cities, who argue that the YIMBY approach to housing worsens the housing crisis for working class communities by accelerating gentrification and displacement. Many of the most salient criticisms of the YIMBY movement have been formulated by housing advocates who fear the impact of an entirely developer driven approach to affordable housing production. Communities deserve policies that meet their needs and are shaped by their input.

In fairness, there are, no doubt, crusading citizens advocating for equity and justice within the YIMBY movement. But the movement overall is driven and largely funded by those with either an ideological antipathy to any regulation – even if it is citizen driven as are historic districts – and a portion of the real estate industry which believes their proforma development scheme should have priority over local land use frameworks.

HISTORIC PRESERVATION AND YIMBYISM

Four things are demonstrably true: 1) the issues raised by YIMBYs – particularly affordability, density and diversity – are not only important but are at crisis stage in many communities; 2) YIMBYs are experiencing success for many of their initiatives across the country; 3) they are doing so, in part, because they are garnering support from both the political right and the political left; and 4) local historic districts are usually a prime target of YIMBYs.

What this means is that the quality, character, and memory which our local historic districts reflect, are at risk of loss, and that loss will be permanent. But more than that – the fundamental ability to recognize places with these values is threatened. So what should preservationists do? There are five alternatives.

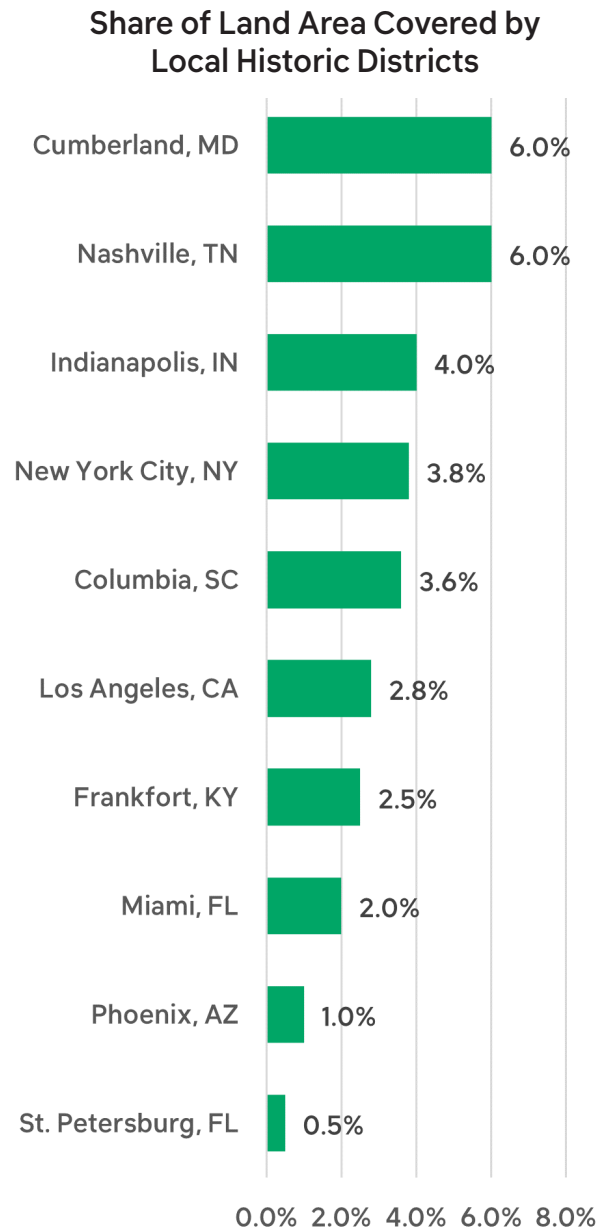
- We can do nothing and sit on our hands. The likely result? Loss of our communities' historic fabric, and the multiple values that heritage resources represent.
- We can pretend that the issues raised by the YIMBYs either don't exist or aren't important. The likely result? We will be dismissed as oblivious to pressing problems and not credible as community activists.
- We can attack the YIMBY movement, arguing that it's just a front for real estate developers and well-funded anti-government zealots. That may be true, but irrelevant. The likely result? We'll be painted as making an attack on the movement but ignoring the issues being raised.
- We can defend local historic districts based on their aesthetics, and their cultural significance, and use phrases like "authenticity" and "integrity." The likely result? We will rally historic preservationists, but almost no one else.
- Or we can make a reasoned, fact-based set of arguments demonstrating how historic districts are not only not the enemies of diversity, density and affordability, but are the places in our city that are already meeting those legitimate and important public goals.

Assuming the only viable response is fact-based arguments, here is why YIMBYs attacking local historic districts are picking the wrong target for their efforts.

LAND AREA COVERAGE

First, the share of most cities' land area that is under the purview of the historic preservation commission is usually very small - 2% to 6% is a common range. In New York City, where REBNY - the Real Estate Board of New York - blames historic districts for everything from lack of affordable housing, to gentrification, to small business closings during covid, to the sinking of the Titanic, less than 4% of the lots and the land area of the city are designated historic. In Los Angeles, 2.9% of buildings have received local designation. In America's oldest city - St. Augustine, Florida - 7.3 percent of the land area is in historic districts. In Phoenix the number is just over 1%. So with that minor share of the city designated historic, it can't be historic districting that is causing the affordable housing crisis. If developers aren't smart enough to figure out how to build their 40 story condos in the other 93% to 99% of the city, maybe they're not smart enough to be in the real estate development business.

Second, the YIMBYs are right that density in urban areas is important. It is important for efficient utilization of infrastructure, for creating a critical mass of households to support small businesses, to minimize travel distances for ambulances, firetrucks, and police cars to protect public safety. It is density that is the necessary response to sprawl which imposes huge costs on taxpayers and the environment. A core argument of YIMBYs is that since local historic districts make difficult the demolition of historic buildings, which could be replaced by high rises, they are the precluding density in cities.



HISTORIC DISTRICTS COVER A VERY SMALL PERCENTAGE OF THE LAND AREA IN MOST CITIES.

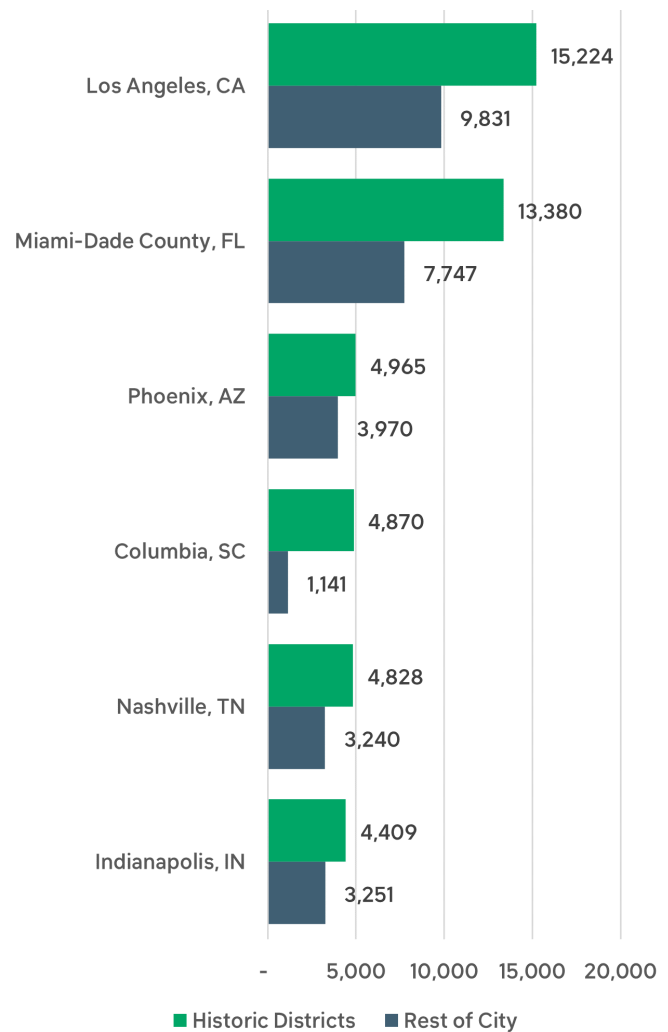
POPULATION DENSITY

In fact, the opposite is true. In study after study, we've found that local historic districts are the most densely populated neighborhoods in the city. In LA population density in their Historic Preservation Overlay Zones (HPOZs) is 15,224 people per square mile, nearly twice the density of the rest of the residentially zoned land where density is 8,724 per square mile. In New York City 93% of the area within local historic districts has a density greater than the rest of the city. Only 1% of low-density areas in NYC are within historic districts. In Columbia, South Carolina, the density in the local historic districts is three to four times that of the rest of the residentially zoned land in the city. In Miami-Dade County, for the county as a whole, the density is 1,419 people per square mile. In the urban areas the density is 7,747 people per square mile. But local historic districts are home to 13,380 people per square mile.

HISTORIC DISTRICTS PROVIDE DENSITY AT A HUMAN SCALE.

Importantly, these historic districts are providing density at a human scale and demonstrate that there can be density without skyscrapers. Of course, cities need more density, but there is no reason it needs to go into the neighborhoods that are already the densest in the community.

Population Density in Local Historic Districts

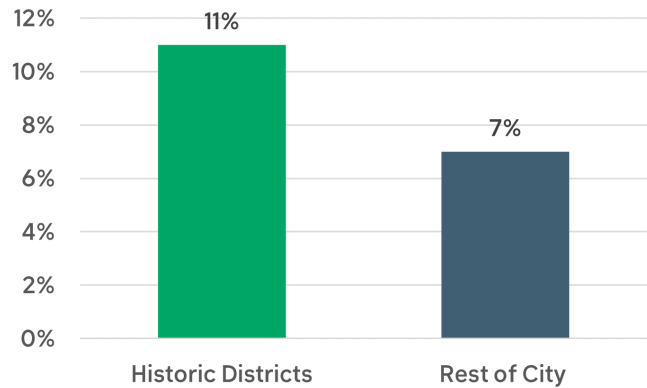


DEMOGRAPHICS IN HISTORIC DISTRICTS

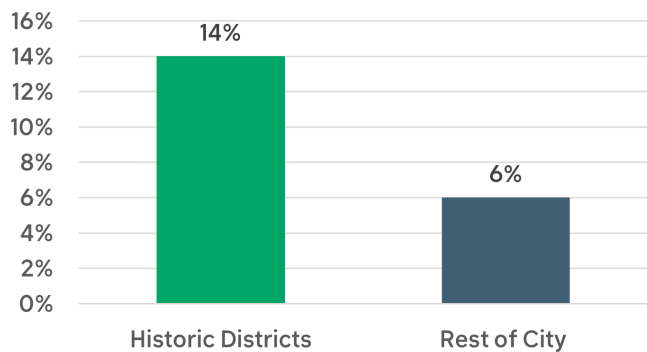
Third, contrary to claims of their opponents, historic districts are not “frozen in amber” and, in fact allow for and welcome both change and growth. In Savannah, one of the most historic cities in the nation and with robust protections for historic properties, more money is spent on new construction in historic districts than on rehabilitation. In Buffalo, where the population was in a long-term decline, between 2010 and 2020 the population began to grow again, adding 7 percent to the city’s population. But over that same period the population in local historic districts grew 11 percent. In fast growing Miami-Dade County, between 2010 and 2015 the population grew by 6 percent, but the population in local historic districts increased by 14 percent. Another rapidly growing city is Nashville, where 10 percent of the population lives in historic districts, but between 2010 and 2016 those districts were where 20 percent of the city’s growth took place. The urban core of Indianapolis grew 2 percent between 2010 and 2015, while the historic districts grew by 9 percent. What that means is that historic districts are accommodating a city’s growth, disproportionately to other neighborhoods.

One of the most common arguments by YIMBYs is that historic districts are solely the bastion of the white and the rich. It’s too bad that the conventional wisdom is not supported by the facts. In San Antonio, a majority Hispanic city, the demographics in historic districts are virtually a mirror of the city as a whole. In Phoenix both the racial and the ethnic distribution in historic districts is

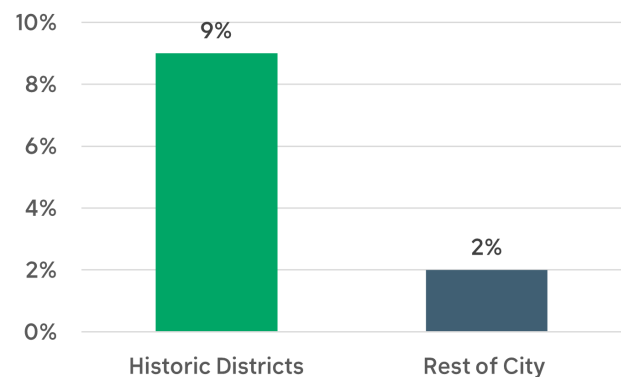
Population Growth in Buffalo (2010-2020)



Population Growth in Miami-Dade County (2010-2015)



Population Growth in Indianapolis (2010-2015)

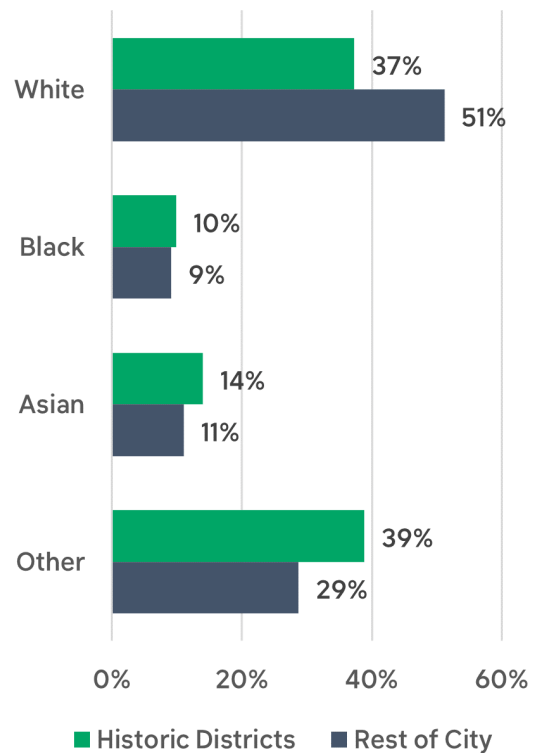


statistically parallel to the city. In Los Angeles, Asian and African-American shares of the population in historic districts is actually greater than in the entire city. In Buffalo, New York a third of the Black population and nearly a third of the White population live in essentially segregated neighborhoods – neighborhoods where the population is more than 80% one race. The exception is in local historic districts. In fact, the only place in Buffalo where it is likely that a White resident has a Black next door neighbor is in historic districts.

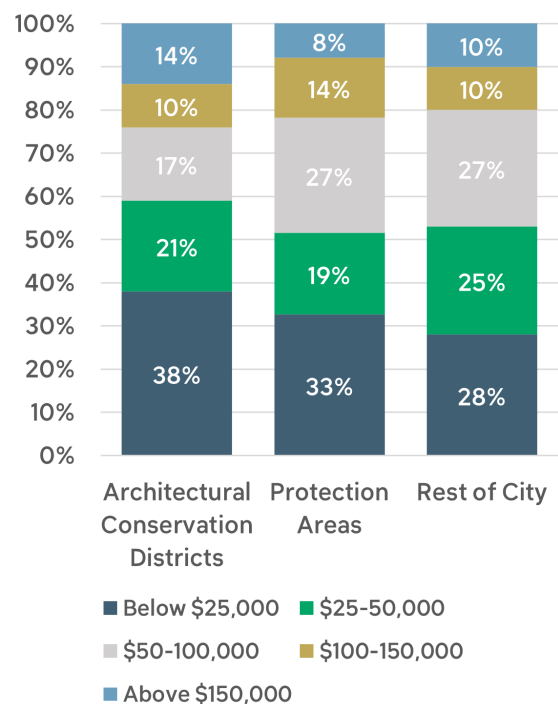
A similar pattern emerges regarding household income distribution. In San Antonio the share of the lowest household income cohort is 20 percent greater in local historic districts than in the city as a whole. Cumberland, Maryland is not a prosperous community; a third of Cumberland households have an annual income of less than \$25,000. But those households make up 50 percent of the households in local historic districts.

Columbia, South Carolina, has two kinds of local historic districts – Architectural Conservation Districts and Protection Areas. Both types of districts have a higher share of households with incomes below \$25,000 per year – 38 percent and 33 percent respectively – than does the rest of the city where 28% of households fall in that lower income bracket. In Phoenix the income distribution in historic districts is almost exactly the same as the city overall, with slightly larger shares at both the top and the bottom income brackets. This is a common pattern in historic districts – the richest living side-by-side with the least prosperous. We call that economic integration and believe it is a healthy pattern for cities. If you are really for diversity, equity, and inclusion, then you should be for economic integration at the neighborhood level. It doesn't happen in most neighborhoods, and it certainly doesn't happen in new high rises. Where it does happen is in historic districts.

Race in Los Angeles Historic Districts (2018)



Household Income in Columbia, SC (2020)



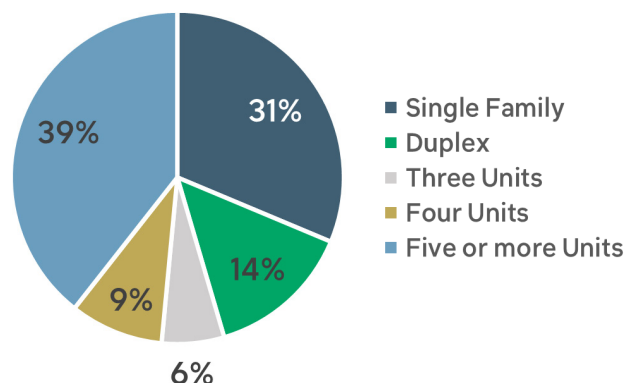
DIVERSITY OF HOUSING TYPES

Diversity should not just be measured by race or ethnicity; it should also be measured by the diversity of housing types that are available at the neighborhood level. The greater the range of housing types, the greater the range of price points to rent or to buy and, therefore a greater range of incomes who live in the neighborhood. Particularly important for both housing price diversity and also for density, are the relatively small scale rental developments that range from two to eight units. These are a housing typology that adds density and affordability but rarely are built today. Newer neighborhoods and certainly high-rise developments do not have this housing diversity; historic neighborhoods usually do.

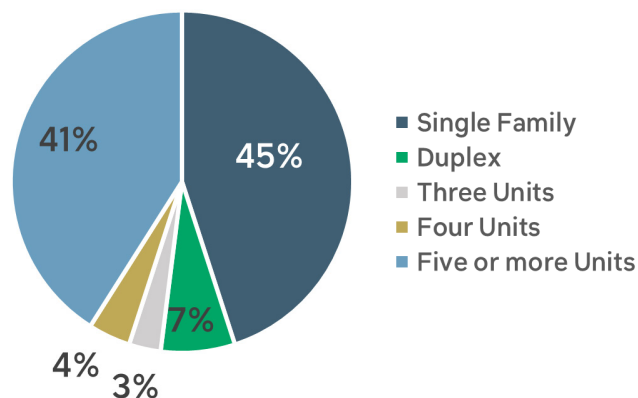
DUPLEXES, TRIPLEXES, AND SMALL APARTMENT BUILDINGS ARE HOUSING TYPOLOGIES THAT ADD DENSITY AND AFFORDABILITY BUT RARELY ARE BUILT TODAY.

In Los Angeles, in Historic Preservation Overlay Zones, only 31 percent of housing units are single family dwellings. Twenty-nine percent are duplexes, triplexes, and fourplexes. For the rest of the residentially zoned land in LA, 45 percent are single family houses and only 14 percent are in two, three, and four unit buildings. In Phoenix 6 percent of the housing stock in historic districts is buildings with 2 to 4 units. That’s true of only 1 percent of housing units in the rest of the city.

Housing Types in Los Angeles Historic Districts



Housing Types in Rest of Los Angeles



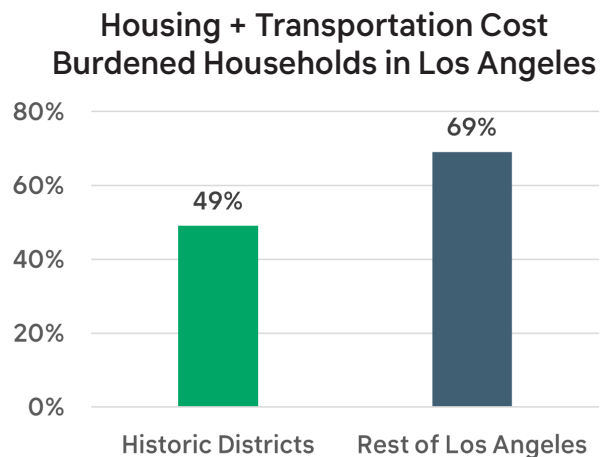
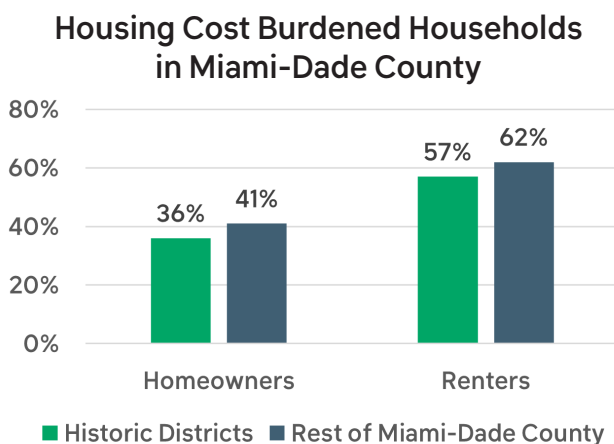
HOUSING AFFORDABILITY

YIMBYs claim that the housing affordability crisis is a result of low supply and high demand. How short of housing is the country? Estimates vary widely, from 1.5 million to 7.5 million. But in the last 30 years we have lost 8,683,000 housing units which were built prior to 1970. We don't have a problem because we are building too few housing units; we have a crisis because we are tearing down too many!

A few of those housing units were lost to fire or flood or tornado. But the vast majority were consciously torn down – the very aim of YIMBYs. But here is the problem – we are tearing down what is affordable and building what is not. Almost by definition historic neighborhoods are old, but not every old neighborhood is historic and not every old neighborhood merits historic designation. But historic districting is one of the few tools of cities to keep older housing stock available.

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There is no question that there is a housing affordability crisis in most parts of America. In Miami-Dade County, 36 percent of homeowners and 57 percent of renters in historic districts are housing cost burdened (spending more than 30 percent of household income on housing). As bad as that is, the rates are even higher in the rest of Miami-Dade County, with 41 percent of homeowners and 62 percent of renters being housing cost burdened. In a city like Los Angeles that is very automobile oriented, the more appropriate measure of affordability is H+T – Housing plus Transportation. A household is considered cost burdened if more than 45 percent of income is spent on those two items. In LA Historic Preservation Overlay Zones, 49.3 percent of households spend more than 45 percent of their income on housing and transportation—a significant share. But in the rest of the city more than two-thirds of all households (68.5%) fall into the H+T cost burdened category.



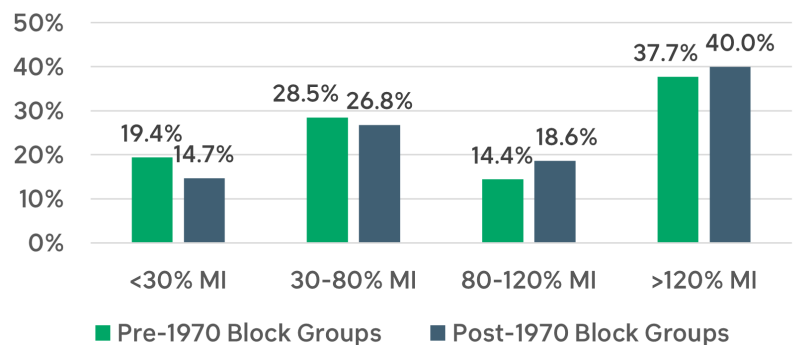
In recent years many PlaceEconomics studies have looked at the role of older housing in providing affordable housing. In Columbia, South Carolina, in neighborhoods whose housing stock was primarily built prior to 1970, 19.4 percent of households had incomes less than 30% of the area median income. That was true of only 14.7 percent of households in newer neighborhoods. In St. Petersburg, Florida, 18.6 percent of households in older neighborhoods were in that lowest income category as compared to 14.7 percent in the rest of St. Pete. Nationally housing built prior to 1970 is, on average, more than 16 percent less expensive than newer housing.

What is the rationale that it is necessary to build new rather than rehabilitate what exists already? Two arguments are usually made: 1) the houses are too far gone to save; and 2) it's more expensive to rehabilitate than to build new. It is a shame that neither argument is fact based. The American Housing Survey reports that just under 2 percent of housing built prior to 1970 is seriously inadequate and another 5 percent is moderately inadequate. That leaves 93 percent of older housing stock deemed adequate.

And the cost? A comprehensive analysis of housing units created using the Low Income Housing Tax Credit was undertaken for the National Council of State Housing Agencies. The findings show that the per unit cost of projects (which were new construction) were 36 percent more expensive than rehabilitation projects, including acquisition of the building to be restored. The reality is that you cannot build new and sell or rent cheap unless you have very, very deep subsidies. So adding more 20 story condo buildings does nothing whatsoever for affordable housing. What can make a difference is maintaining and rehabilitating when necessary existing, older housing. It is older housing that is NOAH – Naturally Occurring Affordable Housing. A NOAH is never found in new construction.

One of the most effective tools to add density, affordability, and housing type diversity is by encouraging ADUs – Auxiliary Dwelling Units. Adding ADUs in local historic districts is also a way to maintain neighborhood quality and character. This is an area where those YIMBYs who are actually for diverse and affordable housing rather than just being shells for high rise condo developers could make common ground with preservation advocates.

Household Income - Columbia, SC (2020)



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Support for added density will be found among preservationists. PlaceEconomics conducted surveys among preservation professionals asking for their views about affordable housing in general and ADUs in particular. Seventy-two percent felt that housing affordability was at a crisis level in their community and 62 percent said that preservationists should be leading the effort to address housing affordability. When asked whether historic districts should be exempt from legislation allowing ADUs, nearly 4 in 5 (79.5%) said “no”. When asked what might be positive outcomes of ADUs, the top answers were: 1) more affordable housing units created; 2) efficient use of existing building stock; 3) increased density; and 4) multigenerational living arrangements. These preservation professionals were asked what their personal opinion of ADUs was, nearly three-quarters (73.3%) were strongly in favor.

Preservationists are unlikely to find allies among YIMBYs who make a case without nuance for high rise developers. But we can make a reasoned, evidence-based case for historic districts and the retention of older housing to those YIMBYs who are actually for neighborhoods that are diverse, affordable, and inclusive. Because that’s what the historic districts in most American cities actually are.

This whitepaper was prepared by PlaceEconomics, a firm whose work is at the intersection of historic preservation and economics. The studies from which the data in this paper come can all be found and downloaded for free at: <https://www.placeeconomics.com/resource/>

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