

• **Study: Minorities and Poor Harmed by Anti-Sprawl Policies**

Source: The National Center for Public Policy Research, Jan 3 2003

Policies to combat sprawl penalize minorities, the poor, urban families and the young, says a new econometrics report being released in November by the Center for Environmental Justice of The National Center for Public Policy Research. Moreover, such policies do not generate the expected environmental benefits.

The study, "Smart Growth and Its Effects on Housing Markets: The New Segregation," used as a baseline the smart growth policies of Portland, Ore., considered by many the nation's best, and asked: if cities nationwide had adopted these policies 10 years ago, how would America's most disadvantaged populations be affected?

The study also examines the impact of sprawl restrictions on commuting times, congestion, the need for new infrastructure and the preservation of green space.

The study concludes that smart growth hurts the underclass at disproportionately high rates.

If Portland-style policies had been adopted nationally 10 years ago: 1) 260,000 minority homeowners would not own homes today; 2) 1 million homeowners of all races would not own homes today; 3) the average home price would have increased by \$10,000 in 2002 dollars; 4) the average cost of renting a home or apartment would have increased 6%.

Sprawl restrictions did not achieve their environmental objectives, actually increasing suburbanization rates while failing to reduce vehicle miles traveled or congestion.

"Restricted growth policies can be dubbed 'the new segregation,' as they deter minorities from the housing market at disproportionate rates," says Amy Ridenour, president of The National Center for Public Policy Research.

"Homeownership is key to realizing the American Dream and equity in a home is a widespread as a way for the working and middle classes to amass wealth and build a retirement nest egg. We have government policies that promote homeownership. It is ironic that other government policies are working against it."

No corporate or housing industry funds were used to finance the study.