Post-Pandemic Perceptions of Real Estate Development in the U.S.

coUrbanize

INTRODUCTION

Customers and partners are always asking about the trends in people's expectations for real estate development. This spring, we conducted our second annual survey of more than 1,000 people in the United States to understand the bigger factors that shape people's perspectives – from the affordability of their community to how they find out about what's happening in their neighborhood.

Since 2019, we've seen a 4x increase in the number of affordable housing projects on coUrbanize and they all face nearly identical challenges in building community support: bias rooted in racism and classism, and unfounded fears about changing the inherent fabric of a neighborhood. This survey explores how sentiment about affordable housing varies based on the specific descriptions of what the housing is (i.e. affordable vs. low-income) and who it is designed for (i.e. seniors).

We also wanted to understand the impact of virtual community meetings and people's desire to keep them as a permanent fixture in civic engagement.

Lastly, this survey included several questions we asked 15 months ago to compare and contrast how people's viewpoints about development in their community have changed or stayed the same because so much has changed since we did that survey last year. Have people's opinions about their community and the impacts of development shifted too?

This new data has already provided such value to our team as we partner with real estate companies and planners alike to bring better projects to life. I hope you find it just as insightful.
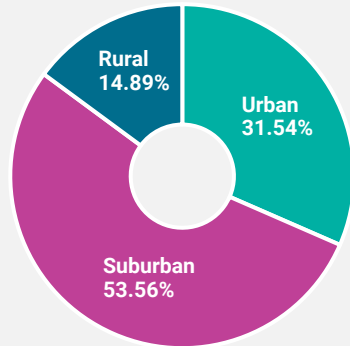
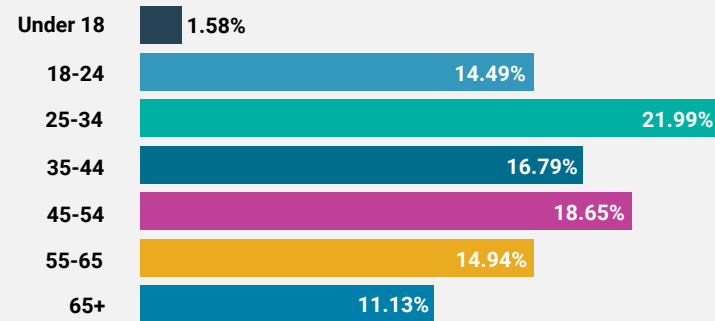**Karin Brandt**
CEO and Founder
coUrbanize

ABOUT THE SURVEY

This 39-question survey was conducted over a two-week period in May-June 2021. In total, 1,087 responses were collected. For the purpose of this survey, real estate development was defined as new construction within the respondent's community including residential, retail, and commercial projects.
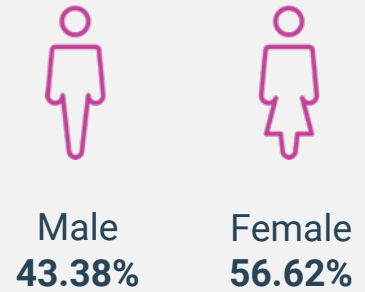
COMMUNITY

- Rural 14.89%
- Urban 31.54%
- Suburban 53.56%

AGE

- Under 18: 1.58%
- 18-24: 14.49%
- 25-34: 21.99%
- 35-44: 16.79%
- 45-54: 18.65%
- 55-65: 14.94%
- 65+: 11.13%

GENDER

Male **43.38%**

Female **56.62%**

HOUSEHOLD INCOME

- Under $15,000: 5.94%
- $15,000-$29,999: 9.65%
- $30,000-$49,999: 16.05%
- $50,000-$74,999: 19.48%
- $75,000-$99,999: 13.73%
- $100,000- $150,000: 15.77%
- Over $150,000: 12.24%
- Prefer not to say: 7.14%

LOCATION

- Midwest 19.76%
- Northeast 23.01%
- West 24.03%
- South 33.21%
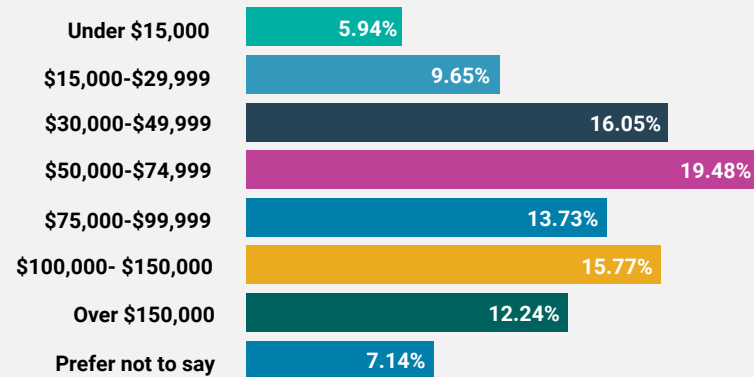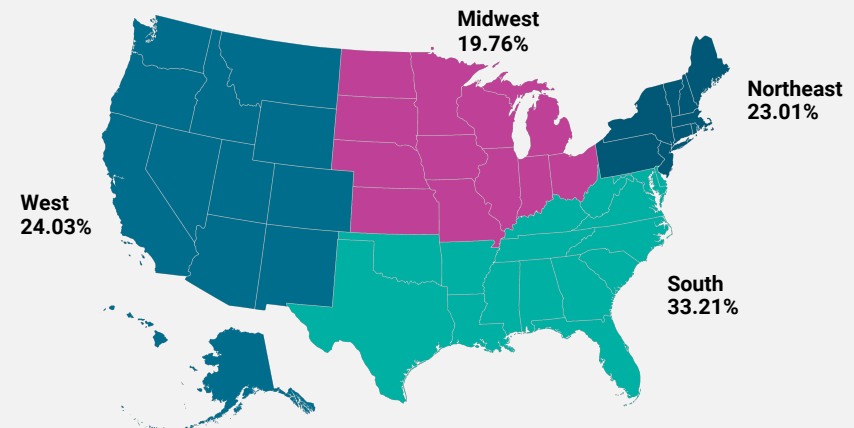
POST-PANDEMIC, MORE PEOPLE CONSIDER THEMSELVES PRO-DEVELOPMENT.

Of this year's survey respondents, 57.59% self-identified as "pro-real estate development," defined as welcoming of new buildings and/or redevelopment of existing buildings in their community. In early 2020, this number sat at 49.39%. Those who self-described their community as diverse were more likely to be pro-development (61.53%), in addition to those who described their community as urban (61.58%).

In total, only 22.26% did not consider themselves to be pro-development; 20.15% weren't sure how to answer this question. As stated in last year's survey report, the "I'm not sure" respondents represent an important opportunity for community planners and real estate project teams alike to share their vision and communicate the public benefits of a given project.
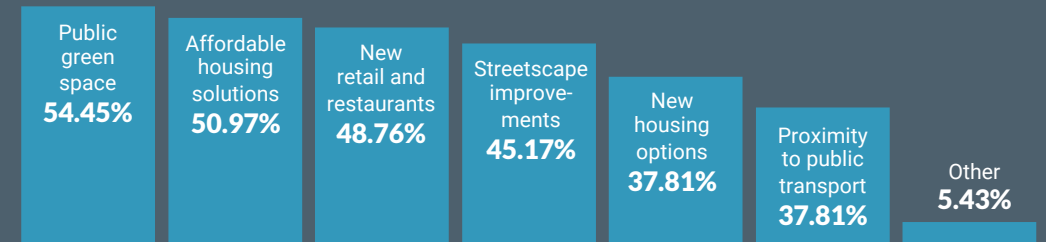
But overall, what people want from development has changed.

When asked what respondents see as the benefits of real estate development in their neighborhood, there were notable changes in the responses from 2021 vs. 2020. Respondents could select multiple responses.

Last year, respondents' most-selected benefits of real estate development in their communities were economic growth (47.53%), new retail and other public amenities (42.96%), and new housing stock (40.07%).

This year, economic growth is still the most-selected benefit with 57.5% of respondents noting it as one of the positive impacts of development in their community. The second most-selected benefit in 2021 is affordable housing at 46.09%, jumping up from 32.34% and the fifth most-selected benefit last year. The third most-selected benefit also changed with job creation cited by 43.05% of respondents. In addition, only 13.71% of respondents disagreed when asked if new development projects should support and promote Black-owned, women-owned, and minority-owned businesses.

What elements make a new real estate development an attractive addition to your community?

Public green space	Affordable housing solutions	New retail and restaurants	Streetscape improvements	New housing options	Proximity to public transport	Other
54.45%	50.97%	48.76%	45.17%	37.81%	37.81%	5.43%

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People's concerns about development have also changed in noteworthy ways.

Last year, traffic and parking challenges (62.44%) were the most-selected negative impact of development, followed by an increased cost of living (52.19%) and environmental concerns (43.62%). Overcrowding now ties traffic and parking challenges as the most-selected negative impacts of development (63.94%). Only 42.59% of respondents in 2020 cited overcrowding as a concern.

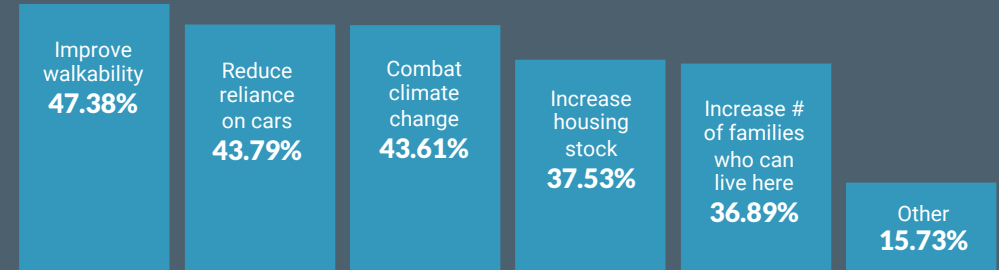## Adding density is still controversial.

For the first time this year, we also asked if people would support adding density to their neighborhood using the examples of adding apartments/condos or taller buildings.

Only 40.3% agreed or strongly agreed that they would support added density. Support for added density is higher among those who consider themselves to be pro-development (54.0%), but still lower than one may assume considering how this group self-identifies.

Yet, when respondents were then asked if they would support adding density to their neighborhood to achieve a particular goal (combat climate change, increase housing stock, increase the number of families who could live there, improve walkability, or reduce reliance on cars), additional respondents said they would be in favor.

I would support building more dense housing in my neighborhood if it were to…

Improve walkability **47.38%**

Reduce reliance on cars **43.79%**

Combat climate change **43.61%**

Increase housing stock **37.53%**

Increase # of families who can live here **36.89%**

Other **15.73%**

The open-ended responses to this question highlight the misconceptions and misunderstandings about density and what it brings to a community:

- "If there was a guaranteed increase to public services (i.e. more schools) and if it didn't have a negative impact on historic structures and landmarks."

- "This is nothing that would make me support this [density]."

- "My neighborhood really isn't appropriate for dense housing."

- "I would not want large populations of people moving into my neighborhood."

- "Help the homeless. There are enough homes for everyone else."

- "[I would support adding density to my neighbor if it did] not have a negative impact on school enrollment, didn't result in the loss of sacred, mature trees…didn't result in increased tax bills, congestion and overall cost of housing in my community."

POST-PANDEMIC, MORE PEOPLE
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Key takeaways

- As communities continue to reemerge from the pandemic, it's even more important to focus on the community benefits of a project, especially specific data about the positive economic impact a project will bring to the community (job creation, local business support, affordable housing, etc.).

- More people may be supportive of density when they can understand the specific benefits it brings to their community. When developers propose adding density with a particular project, building support for their vision requires education about the benefits of adding said density.

PEOPLE'S SUPPORT FOR AFFORDABLE HOUSING VARIES ON WHO IT BENEFITS.

Affordable housing is often a misunderstood topic. Myths and misconceptions, fueled by bias, are often a driving force behind the opposition against new affordable housing in a community.

This can be especially puzzling when you consider that most people do not believe that their community is an affordable place to live. Last year, only 29.17% considered their community to be affordable. This year, that figure has increased to 37.71%, but affordability is an issue for most respondents.
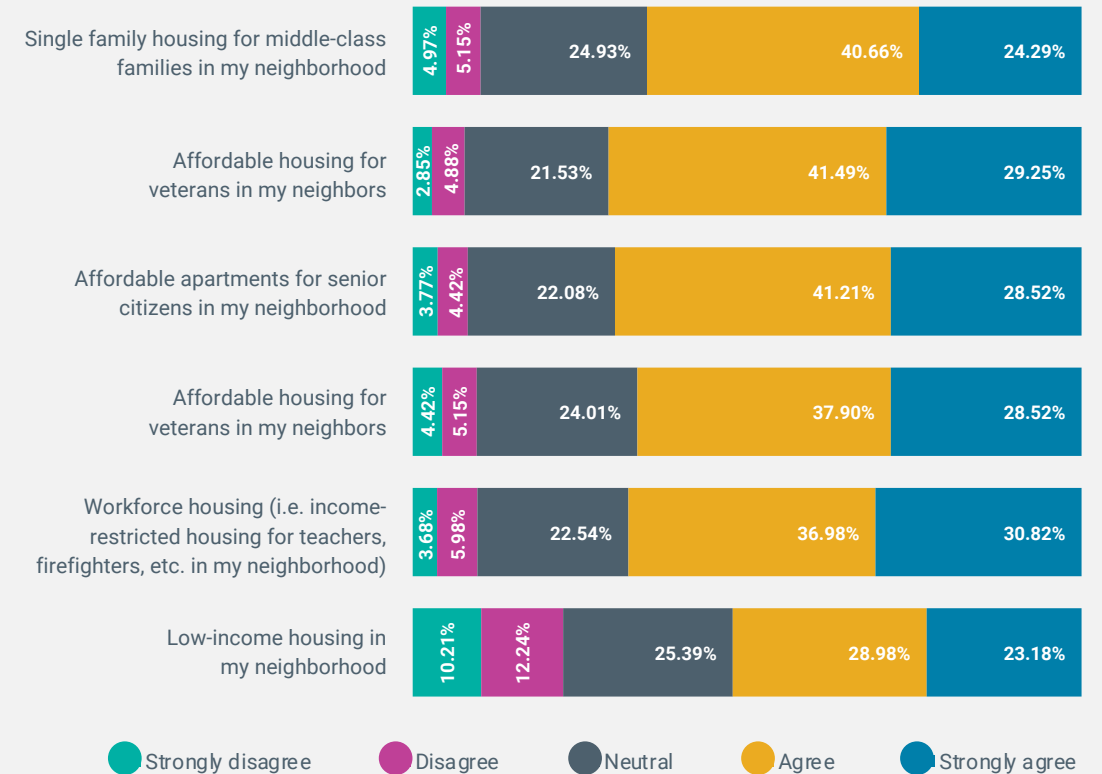
In this year's survey, we decided to assess people's support for affordable housing solutions in their community by asking them about their level of agreement with statements that describe a particular housing type and beneficiary in their neighborhood. In short, support varied based on how the housing product type was described and who it was said to benefit.
As a baseline, we asked if respondents understood the benefits that affordable housing can bring to their community. The majority agreed that they do (58.88%).

Respondents were most welcoming of "affordable housing for veterans in their neighborhood" (70.74%). Affordable apartments for senior citizens had a similar level of support from respondents (69.73%). In fact, affordable housing for veterans, affordable apartments for seniors, people with disabilities, and workforce housing all received stronger support than "single-family housing for middle-class families."

In comparison, only 52.16% of respondents agreed that they would welcome "low-income housing" in their neighborhood.

I would welcome...

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
Single family housing for middle-class families in my neighborhood	4.97%	5.15%	24.93%	40.66%	24.29%
Affordable housing for veterans in my neighbors	2.85%	4.88%	21.53%	41.49%	29.25%
Affordable apartments for senior citizens in my neighborhood	3.77%	4.42%	22.08%	41.21%	28.52%
Affordable housing for veterans in my neighbors	4.42%	5.15%	24.01%	37.90%	28.52%
Workforce housing (i.e. income-restricted housing for teachers, firefighters, etc. in my neighborhood)	3.68%	5.98%	22.54%	36.98%	30.82%
Low-income housing in my neighborhood	10.21%	12.24%	25.39%	28.98%	23.18%

PEOPLE'S SUPPORT FOR AFFORDABLE HOUSING VARIES ON WHO IT BENEFITS.

Key takeaways

- Even though most communities in the U.S. are facing a housing affordability crisis, support for affordable housing projects varies widely based on the type of housing and the target resident.

- Similarly to adding density, education about what type of affordable housing a project includes and who it benefits should be incorporated into community engagement campaigns. This should include an acknowledgment of the bias and misinformation about what affordable housing brings to a community.

COMMUNITY MEETINGS,
EVEN WHEN VIRTUAL, AREN'T PERFECT

However, less than half (43.24%) of respondents have ever been to a community meeting (i.e. planning board meeting, neighborhood association meeting, or city council meeting). Of those who did, 64.04% reported that the meeting they attended was not translated into a language other than English.

Nearly 22% of U.S. residents speak a language other than English at home. In the country's five largest cities, nearly half speak another language at home, according to the Center for Immigration Studies. English-only community meetings consistently leave out people within the community.

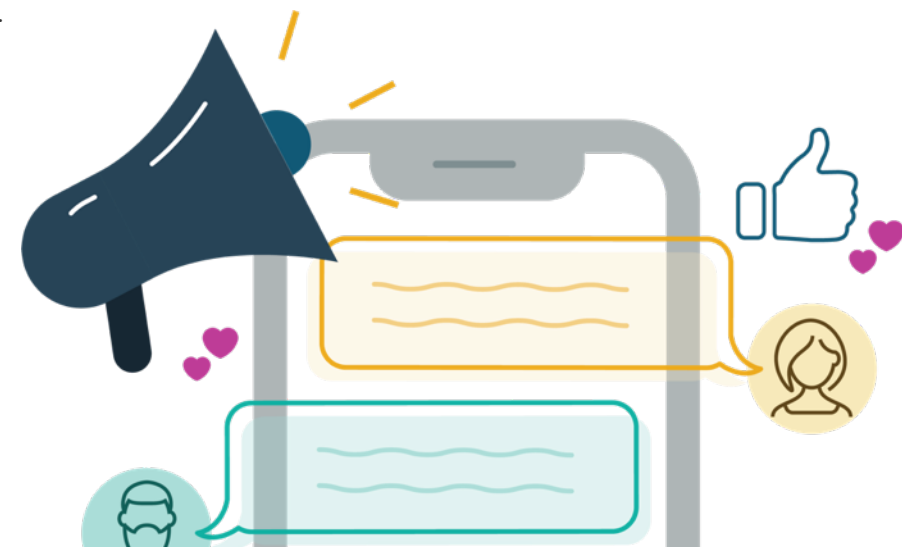## Virtual community meetings haven't solved planning's participation problem.

The majority of respondents (60.22%) agreed that virtual community meetings are more convenient than traditional, in-person meetings and 57.17% said the virtual nature would make them more likely to attend. But despite this, only 36.22% of respondents have attended a virtual community meeting since the start of the pandemic.

People want to be able to have a voice in what is going on in their community without having to go to a meeting. The overwhelming majority of respondents said they would prefer to offer their feedback about a development project in their community without having to go to a public meeting. Only 12.77% of respondents disagreed with this sentiment.

In addition, only 13.06% of respondents consider public meetings to be the best source of information about development projects. Instead, respondents get information about what is going on in their communities on social media - even though they know it's not the best source of information.

When respondents were asked to identify the best source of information for news about real estate development projects in their community, the most-selected response was the local news. When respondents were asked where they actually get most of this information, the most-selected response was social media.

This supports trends in more people getting their news from social media instead of reputable news sources. Research from Pew shows that those who depend on social media are also more likely than other news consumers to be exposed to made-up news or to get their facts wrong.

COMMUNITY MEETINGS, EVEN
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Key takeaways

- Virtual community meetings have not improved overall participation from community members although respondents do feel they are more convenient and easier to attend.

- Overall, people want other ways to share their feedback and get information about development projects. Development teams must figure out how to become the go-to source for information and updates about a project to limit the likelihood of misinformation spread on social media and through word of mouth.

CONCLUSION: PUTTING THIS DATA TO WORK

While there have been some notable changes in public opinion about real estate development, the burden still lives with individual project teams to build a coalition of support on a project-by-project basis. How to do this is also up for debate, but one thing is clear: people care about project outcomes — and they want more ways to share their ideas and participate in the design and planning process.

coUrbanize

coUrbanize is an online community engagement solution for real estate developers and municipal planners. It helps them gain more control of the process and avoid surprises and miscommunication that lead to costly delays.

Using the coUrbanize solution alongside more traditional mechanisms for interacting with the community, developers and planners can ensure more open, accurate, and transparent -communication and broader participation. As part of a holistic strategy and inclusive approach, we work with customers to identify voices that are historically underrepresented and the best ways to capture their feedback.

Unlike static web pages or social media sites, the coUrbanize solution is built specifically to- manage community engagement for real estate development projects. It supports two-way communication and automatically generates comprehensive reports.
The coUrbanize solution is built and supported by experts in real estate development and community engagement, and it has been proven in hundreds of projects across the U.S.

To learn more about coUrbanize or talk with a community engagement representative, reach out at
sales@courbanize.com