Do residential preferences foster sprawl in upstate New York?

By David Kay, Joseph Laquatra, Jordan Suter, Rolf Pendall, and Nelson Bills, Cornell University

Sprawl, or scattered residential development in less value laden language, is indisputably widespread in America. This kind of development has certain benefits and characterizes neighborhoods chosen freely by many Americans. However, public frustration with sprawl’s negative side is supported by the work of researchers who have shown how sprawl contributes to a wide range of urban and environmental problems.

As development spreads into rural areas, conflicts typically increase between suburbanites and farmers, historic cities and villages often lose their vitality, and New York loses scenic and environmental values associated with its open lands. These issues spark countless disputes over planning and development, even in slow growth states like New York. In ongoing research on residential preferences in several regions of Upstate New York, Cornell researchers are investigating the factors that drive residential location decisions, property values, and sprawl.

When people decide where to live, many critical factors that influence this decision are out of their direct control – job locations, the natural environment, the cost of housing, local government zoning and infrastructure policies, and the mix of taxes and public services provided, to name just a few. Nevertheless, residential preferences—individual choices about what kind of homes and communities to live in—comprise a major force driving sprawl.

To examine how home buyer preferences might be a driver of sprawl in Upstate New York, we analyzed data from 63,196 single family home sales that occurred between 1998 and 2005 in an upstate housing market commute shed. A price index was constructed to quantify preferences for select physical, neighborhood, and locational characteristics of housing. The extent of preference is measured by the estimated value that each characteristic adds, on average, to the sales price of a single family home.

Results from this analysis indicate that households place significant value on, among other attributes, more living space, greater lot acreage, and close proximity to open space. These preferences are driving forces for residential sprawl in the Upstate New York area as in many other parts of the country. Further results confirm that both local property tax rates and school quality are also reflected in the value of homes and help drive residential location choices.

Upstate communities face growing issues related to loss of open space, higher costs of public services, and threats to what is increasingly perceived as their major economic asset: high quality of life. Sprawl often means longer travel distances, more frequent trips, and less access to public transportation, all of which contribute to higher energy use. Per capita costs of such services as schools, police stations, and fire departments usually increase as population densities fall. Sometimes, facilities in developed areas are abandoned while public money is spent on new construction in newly sprawling areas.

The public can control the outward expansion of public services and encourage growth in areas with existing services. Containing sprawl can save taxpayers money by, for example, enacting policies that encourage growth in areas with existing infrastructure. Fundamental economic forces including the preferences of participants in the homebuyer market are important in driving sprawl, but public policies can translate these forces into patterns of development with fewer negative impacts on communities and the environment.

Town, village, city and school boards control much of the context within which consumers make their residential choices. Comprehensive and well integrated planning, site clustering, smart growth zoning strategies, open space preservation, site plan reviews, and sensitive application of basic neighborhood design standards are among the many existing tools that local governments can use to create communities that are more convenient, attractive, walkable, and liveable. As a total package, such communities can be both higher density and highly desirable to home buyers and developers seeking profits. It is encouraging that an increasing number of New York communities, developers, and homeowners are recognizing the need for a wider array of housing choices, including alternatives to sprawl that can meet the test of the marketplace.