

Good Neighbors



*Frequently Asked Questions*

**Q.**

**If a group home moves into my neighborhood, will my property values go down?**

**A.** There is an overwhelming volume of evidence that homes for people with disabilities do not significantly impact property values.

In a review of 47 studies from 1973—1993, researchers found that property values remain unaffected by homes for people with disabilities. The studies also revealed that group homes do not make properties close to the homes harder to sell.<sup>1</sup>

For example: Julian Wolpert, Princeton University, studied the impact of group homes for people with mental retardation in ten NY State communities and compared the findings with 42 other communities without group homes. Wolpert found that there was no significant difference in property values and no decline in the value of adjacent properties in the study area.<sup>2</sup>

Another study of property market activity around 12 Philadelphia mental health facilities

also concluded that no decline in sales prices occurred due to the presence of community homes.<sup>3</sup>

The Community Services Information Program reviewed a total of 58 studies, spanning nearly two decades, from 1970-1989. The research reviewed consistently demonstrated that group homes have not negatively impacted property values or property turnover rates.<sup>4</sup>

Among these studies, S. Breslow, Princeton University, reviewed the impact of 16 community residences for the developmentally disabled, mentally ill, veterans, neglected children and the elderly on the real estate market in White Plains, NY. He found that the homes did not depress property values and, in some cases, caused appreciation of property values.<sup>5</sup> (Believed to be the result of renovations to the homes.)

**In Stamford Connecticut, property values in eight neighborhoods with group homes were compared to 23 neighborhoods without group homes. The group homes housed chronically mentally ill and mentally retarded adults, homeless families, adolescent males and recovering alcoholics. The researchers concluded that the data provided strong evidence that group homes have no effect on property values.<sup>6</sup>**

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<sup>1</sup>Michael Dear, Robert Wilton (1996) "The Question of Property Values," Campaign for New Community, Interfaith Conference of Metropolitan Washington, 1419 V Street NW, Washington, DC 20009. <sup>2</sup>Wolpert, Julian (1978) "Group Homes for the Mentally Retarded: An Investigation of Neighborhood Property Impacts," prepared for NY Office of Mental Retardation and Developmental Disabilities; Princeton University.<sup>3</sup>Dear, Michael (1977) "Impact Of Mental Health Facilities On Property Values" Community Mental Health Journal, 13:150-157.<sup>4</sup>Community Services Information Program (1990) There Goes the Neighborhood. White Plains, NY.<sup>5</sup>Breslow, S. (1976) "The Effect of Siting Group Homes on Surrounding Environs." Princeton University.<sup>6</sup>Coleman, A. (1989). "The Effect of Group Homes on Residential Property Values in Stamford, Connecticut." Stamford Connecticut. St. Lukes Community Services.

## *Frequently Asked Questions*

**Q.** Are people who are considered to be dangerous moved into DHS homes? Will they pose a threat to my family's safety?

**A.** No. The Department of Human Services takes its responsibility to New Jersey communities and the vulnerable people we serve very seriously. No one who is

**considered to be a danger to themselves or to others is recommended for a DHS community home.**

*People with disabilities are no more dangerous than the population - at - large. Indeed, studies have shown that people with disabilities are more likely to be victims, themselves. Still, there are many myths associated with having a disability. The myth that people with disabilities are dangerous creates a painful obstacle for people with developmental disabilities or mental illness.*

*DHS has a 20-year track record of providing safe, quality residential programs in local communities. These homes are just like any other, except that there is an agency operating the home whose staff members assist the residents. As part of their contract obligation to the department, community agencies are responsible for maintaining the home and property, as well as for assisting or supervising the residents.*

*Specific licensing requirements for health and safety safeguard DHS residents. The homes are licensed and inspected regularly by DHS. The department requires its contract agencies to adhere to an ongoing system of monthly reporting and monitoring and social workers and residents' family members have unrestricted access to the homes. This combination of openness and oversight means that any problems in the home can be quickly detected and resolved.*

**Q.**Is it true that DHS homes do not pay their fair share of taxes?

**A.**The majority of DHS-funded homes are operated by not-for-profit agencies. Not-for-profit agencies may be exempt from taxes under federal and state laws. However, the Department of Human Services strongly encourages its provider agencies to contribute to their municipalities in lieu of taxes, and most do. Contributions to municipalities in lieu of taxes are an allowable cost in DHS contracts with agencies.

**Q.**Are all group homes, DHS group homes?

**A.**Not all group homes or apartment programs are funded by DHS. Many religious organizations or other private entities operate community residences, as do other departments of state government, such as the Department of Community Affairs and the Department of Corrections.

**Q.** Does DHS only fund homes in particular areas?

**A.** DHS homes are available in every county of New Jersey. Some communities may have more homes than others because the characteristics of the area may make it more attractive to the future residents. For instance, when purchasing a home or leasing an apartment, the first consideration is the future residents' choice of a general location. Closeness to family members, work, school, transportation, shopping, churches or synagogues and, of course, the cost of the home are all considerations, as well.

*The Department of Human Services observes the law, N.J.S.A. 30:11-B-5, which requires DHS to ensure that homes are geographically "available throughout the state without unnecessary concentration." The law does not specify a quota or limit the number of homes in a community. To assist agencies in selecting a site for a home, DHS now has an information system to keep track of all DHS homes and informs agencies of how many already exist in areas under consideration.*

**Q.** Why aren't communities informed when a group home is first moving into the area?

**A.** Because it is against the law to do so. Homes for people with disabilities share the same rights as everyone else in choosing where to live. The Federal Fair Housing Act, originally created to protect the rights of minority groups to live where they choose, was extended in 1988 to specifically include people with disabilities. Everyone benefits from this right and all of us have an obligation to abide by this federal law protecting our right to live where we choose, without discrimination.

*DHS and non-profit agencies are permitted to discuss programs with communities once a house has been purchased and a closing is finalized. Once a home has settled into a neighborhood, community members find that it is just like any other home in the community.*

**Q.** What laws apply to the siting of a community residence?

**A.** The Federal Fair Housing Act (42 U.S.C. 3601 et seq.):

- Prohibits local zoning rules to discriminate in housing opportunities for the disabled;
- Makes it unlawful to deny a dwelling to any buyer or renter because of a handicap.

**The Municipal Land Use Law (N.J.S.A. 40:55 D-66.1 and 66.2)**

- requires all residential districts in the State to permit new community residences.
- Specifically protects community residences that are licensed by the State
- Prohibits municipal authorities from excluding group homes from their communities (S.210); and requires DHS to place handicapped individuals in community residences whenever possible (N.J.S.A.30:6-D-13 and N.J.S.A. 30:11B-1)
- In addition, State Statute (N.J.S.A. 30:11-B-5) requires DHS to ensure that homes for the handicapped are geographically "available throughout the State without unnecessary concentration." These living arrangements are established in N.J. S. A. 30:11B-1 et.seq. Stringent standards for opening, licensing and operating a community residence are delineated in N.J.A.C. 10:44A.

**Q.** Who do I call if I have questions about a community residence in my neighborhood?

**A.** Contact the agency that operates the home, or call:

**1-877-DHS-LINE (1-877-347-5463)**

*Department of Human Services staff will help you get the information you request.*