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Re: Living and working on University Hill

The American Planning Association named University Hill in Syracuse one of the 10 great neighborhoods in America for 2008. This honor confirmed what those of us who live in this wonderful neighborhood have long known. We also know that the residential portion of University Hill, particularly the area just east of campus, is in trouble, with the number of owner-occupied households dwindling further with every year.

This letter is addressed to the five major employers on University Hill: SUNY Upstate Medical University, Syracuse University, the Syracuse VA Medical Center, SUNY College of Environmental Science & Forestry and Crouse Hospital. We write to urge you, individually and collectively, to develop new programs and new incentives to bring more of your employees to live on University Hill.

The benefits of an effective University Hill employer assisted housing program (EAH) would be many — for University Hill employers, their employees, the city, the environment, and the University Hill neighborhood.

UNIVERSITY HILL INSTITUTIONS

A University of Iowa report found that "a number of leading universities around the country have initiated programs to promote homeownership and investment in the neighborhoods adjacent to their campuses. A goal common to all these programs is elevating the reputation and appeal of the institution in order to recruit talented faculty, staff, and students."¹

Increasing the number of University Hill employees living on the Hill will stabilize and enhance its residential neighborhoods. These will then become selling points when recruiting employees who value the convenience, health, attractiveness and environmental benefits of pedestrian-friendly neighborhoods near work.

There are also monetary benefits. Parking represents an enormous expense for universities and hospitals, a cost that employee parking fees don't begin to cover. A single parking space can cost anywhere from \$14,000 in an open lot to \$31,500 in an underground garage.² Typical annual costs per space range from about \$200 for basic maintenance of a surface lot, up to \$800 for a facility with tollbooth attendants.³ Because cars depreciate so quickly, parking spaces are often worth more than the cars that sit on them.⁴

In the 1990s Cornell University determined that it needed 2,500 additional parking spaces. The university decided instead to work with city and county authorities to promote commuting by walking, biking, mass transit and car pooling. Cornell estimates it saved over \$40 million through avoided construction, maintenance and transportation costs over the 14 years of the program.⁵ A similar program at the University of Washington in Seattle obviated the need to build 3,600 new parking spaces, saving the university an estimated \$100 million.⁶

UNIVERSITY HILL EMPLOYEES

University Hill residents enjoy the convenience of walking, biking or taking mass transit to work; some even walk home for lunch. As a result, University Hill households can often get by with fewer cars than suburban households, an annual savings of \$7,000 to \$10,000 per car for financing, insurance, fuel and maintenance.

University Hill residents are just a short walk from two parks (Thornden Park and Barry Park), several restaurants and coffee shops, a florist, a community center, even a grocery store. Syracuse University and SUNY-ESF offer a wide variety of activities and diversions on campus, everything from lectures, concerts and films to inter-collegiate athletics – all just a stroll away.

¹ [UniverCity Neighborhood Partnership, Updated October 6, 2009](#). University of Iowa, p. 1.

² Donald Shoup (2005), *The High Cost of Free Parking*, Planners Press (www.planning.org). Table 7-3 p 211.

³ John Dorsett (1998), "The Price Tag of Parking," *Urban Land*, Urban Land Institute (<http://www.uli.org/>), May 1998, pp. 66-70.

⁴ *The Trouble With Minimum Parking Requirements*, Donald Shoup, *Transportation Research Part A* Vol. 33 (1999), pp. 549-574.

⁵ "[Transportation Solutions: If You Build It They Will Come \(and other tales of how free-fare transit saved \\$40 million at Cornell\)](#)". EPA, *Campus Consortium for Environmental Excellence*, January, 2007.

⁶ "[A look back, the view ahead; U-Pass Annual Report 2000-2001](#)", Transportation Office, University of Washington, 2002.

Research has shown that residents of walkable communities tend to be healthier. A study in the Archives of Internal Medicine last year found that people who walk or ride a bike to work performed better on fitness tests, had lower obesity rates, and displayed healthier triglyceride levels, blood pressure and insulin levels.⁷

The city-wide “Say Yes to Education” program makes this a particularly opportune time to attract employees with children. The Syracuse School District reports a 2% increase in enrollment for 2010, thanks – at least in part – to the Say Yes program. Students in Syracuse schools benefit from the educational support Say Yes is providing at all age levels; tuition support for Syracuse high school graduates is a wonderful incentive to live in the city. More students in city schools also results in more state funding. This year’s 2% increase in enrollment should bring the city roughly \$5 million in additional state education support.

There has been some controversy surrounding Syracuse University’s plan to reduce the free tuition option it has long offered the children of SUNY-ESF employees. Under the Say Yes to Education program, SUNY-ESF employees would continue to enjoy free SU tuition for their children if they live in the city. In fact, children graduating from city high schools can chose from more than 20 universities offering free tuition under the Say Yes program.

THE CITY

Since the 1950s Syracuse has lost more than one-third of its population, while the surrounding suburbs have grown by a similar amount. This out-migration has left the city with vacant homes, unsupported infrastructure and a threadbare tax base. Not only are the five major employers of University Hill among the largest in the county, their workforces are also among the best educated and compensated in the area. A program encouraging University Hill employees to live on the Hill would bring not only their financial resources but also their intelligence and skills -- assets sorely needed in the city at this time.

The Syracuse area is remarkably free of traffic tie-ups and bottlenecks – with the exception of University Hill. Traffic arriving and departing on I-81 is an enormous source of frustration. Revisions to regional street and highway systems could cost millions and make the western edge of University Hill even less pedestrian friendly. Every University Hill employee living on the Hill means one less driver fighting to get onto and off of I-81 every day.

It must be noted that all five major employers on University Hill are not-for-profit institutions and thus pay no property taxes. The city, of course, makes significant investments every year in infrastructure and maintenance for University Hill. At the end of every day most employees of these five institutions leave for the suburbs where other municipalities receive their property tax payments and suburban stores collect their sales tax. A program to bring more employees to live -- and pay taxes -- in the city would be a modest step towards redressing this imbalance.

⁷ [Active Commuting and Cardiovascular Disease Risk: The CARDIA Study](#). Penny Gordon-Larsen; Janne Boone-Heinonen; Steve Sidney; Barbara Sternfeld; David R. Jacobs Jr; Cora E. Lewis. *Archives of Internal Medicine*, 2009;169(13):1216-1223.

THE ENVIRONMENT

Syracuse University has pledged to reduce its net carbon emissions to zero (reach "carbon neutrality") by 2040⁸; SUNY-ESF has pledged to reach carbon neutrality by 2015⁹. Upstate Medical University plans to reduce its greenhouse gas emissions 20% by 2014.¹⁰ To achieve these aggressive goals it will be necessary to reduce carbon emissions from automotive commuting by faculty, staff and students.

Because walking and bicycling are the least polluting forms of transportation, increasing the number of employees living close to work is the most effective means of reducing an institution's commuter emissions. Last year Cornell University conducted an analysis to see what it would take to reduce their commuter emissions by 50%. They found it could not be done through car pooling and mass transit alone; it could only be accomplished with a significant increase in the number of Cornell employees and students living near campus, with at least half of these living within one mile of campus.¹¹

According to the Brookings Institution, per-capita carbon emissions in the Syracuse metropolitan area are the highest of any metro area in the state — in fact, per-person carbon emissions in the greater Syracuse area are almost double those in the Los Angeles area.¹² This high carbon footprint is driven (so to speak) by our sprawling suburbs. The Syracuse Metropolitan Area ranks 83rd out of the nation's 100 largest metro areas for the number of vehicle miles traveled per capita, and we are 91st for carbon emissions from automobiles on our highways.

City residents have much shorter commutes than suburban households, and fewer cars. Last year U.S. News commended Syracuse for its high percentage of pedestrian commuters. Not surprisingly, census figures show that the highest concentration of pedestrian commuters in the county is on University Hill.

THE NEIGHBORHOOD

Longtime residents remember a time when University Hill was home to many more of its university and hospital employees. Medical professionals walked to the hospital; educators walked to class and had informal student gatherings at their homes. The conversion of family homes into student rentals since the 1960s has posed a major challenge to our neighborhood, and owner-occupancy has suffered as a result. But the number of students seeking rooms to rent in the neighborhood has been falling for years. Three new student housing developments completed or under development will absorb over 1,100 of the students renting rooms in area houses. This will free up over 270 former single- and two-family homes for other uses. What better use than to house University Hill employees?

⁸ [Syracuse University's Climate Action Plan 2009, Achieving Climate Leadership on a Sustainable Campus](#). Syracuse University, September 15, 2009, p. 4.

⁹ [Climate Action Plan for SUNY ESF](#), Department of Renewable Energy Systems, September 15, 2009, p. 5.

¹⁰ [Upstate Strategic Plan, Engaging Excellence](#). Upstate Medical University, 2009.

¹¹ [Cornell University CAP, Technical Brief, Commuter Travel](#), 2009

¹² [Shrinking the Carbon Footprint of Metropolitan America](#), Metropolitan Policy Program, The Brookings Institution, May 2009.

Despite the falling number of student renters, conversion of family homes into rentals continues to be a problem near campus. Students will pay more for a room that is close to campus than for one that's far away. This encourages investors to outbid families when family homes near campus come on the market.

City crime statistics show that as the percentage of rentals on a street goes up, so do robberies and burglaries. The transient nature of these properties makes them more vulnerable to petty criminals. Owner-occupied properties, with their "eyes on the street," bring stability to the neighborhood and make it safer.

The problem of rental concentration near campus can be addressed if the universities develop a list of approved housing for undergraduate students living near campus. This should make it possible to control the number of student renters near campus and to maintain a better balance between renters and homeowners.

A PLAN FOR UNIVERSITY HILL

There are a variety of incentives and approaches that could be incorporated into an effective employer assisted housing program for University Hill. We hope the major University Hill institutions will set annual goals for the number of employees they expect to attract to live on the Hill, then develop incentives and programs to achieve those goals, adjusting these as necessary.

We recommend that any EAH program offer higher incentives for employees buying homes within walking distance of work – that's where the largest advantages will be realized in terms of lower emissions and reduced parking requirements.

A mortgage guarantee program, like the one now offered by Syracuse University, could be a useful component of a larger EAH program. The mortgage guarantee has clearly been a welcome benefit for SU employees purchasing a home in the university area. In our experience, however, it has not been a compelling incentive – on its own – to choose the university area over other options.

We've noticed that some of the most successful EAH programs bring multiple employers together under a common umbrella organization. This allows the sharing of promotion and administration expenses and makes it easier to apply jointly for grants to fund the program. Perhaps the University Hill Corporation could bring the major employers on the Hill together under a single EAH program.

Here is a sampling of EAH programs in other cities:

- Yale's Homebuyer Program is the most ambitious EAH program we've seen. Employees who buy a home in one of the neighborhoods near campus receive \$5,000 in their first year and \$2,500 in each subsequent year for up to ten years, providing a total benefit of up to \$30,000. More than 900 Yale employees have taken advantage of the program¹³ and the

¹³ "[University Enhances Employee Homebuyer Program, 917 new home owners](#)" September, 2009.

Homebuyer Program is one of the factors credited for New Haven's economic "renaissance."¹⁴

- The University of Rochester offers a \$9,000 incentive for buying a home near campus (\$3,000 from the University, \$3,000 from the City, and up to \$3,000 from a participating local bank). With the extension of the federal tax credit for new homebuyers, employees can add an \$8,000 tax credit for a total benefit of \$17,000.¹⁵ During the past 18 months 78 employees have taken advantage of this program, most of them first-time buyers.
- Johns Hopkins offers up to \$17,000 in financial aid under its "Live Near Your Work" program. The Rouse Company Foundation provided a grant of \$2.5 million, which is matched by Johns Hopkins. Their goal, from 2008 to 2012, is to provide grants to over 300 Johns Hopkins employees who choose to purchase homes in designated Baltimore City neighborhoods.¹⁶
- In Cleveland, the "Greater Circle Living" program is jointly sponsored by Case Western Reserve University, The Cleveland Clinic, University Hospitals, The Cleveland Museum of Art and Judson at University Circle. Employees of these institutions are provided forgivable loans of up to \$15,000 when they buy a home in the Greater University Circle area.¹⁷
- Duke University stepped in to buy a dozen of the worst kept student rental houses in the Trinity Park neighborhood near campus, reselling them to residents and investors with covenants requiring owner-occupancy and historically-appropriate renovation. Many of these renovated homes became showpieces, including one of the largest former party houses which is now home to the dean of Duke Chapel and his family.¹⁸
- The Illinois Institute of Technology recently expanded its employer assisted housing Program to provide a \$10,000 forgivable housing loan for employees who agree to live in their homes for at least five years. Employees who also participate in the "Find your place in Chicago" program are eligible for an additional \$10,000 if they buy within four designated neighborhoods.¹⁹
- In 1998 the University of Pennsylvania initiated the Enhanced Mortgage Program which provided a forgivable loan of \$15,000 at mortgage settlement, or \$21,000 in multiple payments over a seven-year period. This program complemented the university's existing Guaranteed Mortgage Program which offered mortgage guarantees of up to 120 percent for mortgage principal, closing costs and home rehabilitation/improvement expenses. From 1998 to 2004, 386 University of Pennsylvania faculty and staff purchased homes west of

¹⁴ "[Then...and now, how a city came back from the brink](#)," David F. Tufaro, *Yale Alumni Magazine*. Vol 72, No. 5, May/June 2009.

¹⁵ "[University Home Ownership Investment Program](#)," brochure, University of Rochester.

¹⁶ "[Johns Hopkins 'Live Near Your Work' Program Boosts Benefits](#)," News Release, *Johns Hopkins University*, September 30, 2008.

¹⁷ "[Greater circle living, an incentive to live near work](#)" website, Fairfax Renaissance Development Corp.

¹⁸ "[Hardhat home tour reveals the 'how-to' behind historic restoration](#)", Trinity Park website, Durham NC.

¹⁹ "[Faculty/Staff: Employer Assisted Housing and 'Find Your Place in Chicago' Programs.](#)" *Illinois Institute of Technology*, November 20, 2008.

campus. The university itself acquired and rehabilitated 20 distressed properties and returned them to private home ownership.²⁰

These are just a few examples of employer assisted housing programs in other cities. We hope the University Hill hospitals and universities will recognize the enormous benefits to be derived from an effective homeownership program here and will start working towards implementation of such a program on University Hill.

We are anxious to discuss this issue with you and look forward to meeting with you at your earliest convenience.

Sincerely,



Michael A. Stanton
President



Ross P. Andrews
Vice-President

cc: David A. Mankiewicz, President,
University Hill Corporation

²⁰ [West Philadelphia Initiatives, a case study in urban revitalization](#). John Kromer & Lucy Kerman, University of Pennsylvania, 2004.