

Yale Extending Homebuyers Program

University increasing annual assistance payment for workers who buy property in city

By Mary E. O'Leary

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NEW HAVEN — Christine Kim's condo backs up to the Farmington Canal in a mixed neighborhood in which she is coordinating the nearby community garden and also can walk to work.

The worker at Yale University's forestry school hadn't planned to put down roots in the city, but said the homebuyer assistance program offered by her employer "was too great to pass up."

Right on the border of the Dixwell neighborhood and the university, Kim, 30, said the Winchester Avenue condo "is exactly where I want to be: a very diverse neighborhood, but still close to Yale."

Kim is one of 835 Yale workers who have bought homes in eight city neighborhoods, including Dixwell, Dwight, Fair Haven, the Hill, Newhallville, West Rock, Beaver Hills, Wooster Square and a portion of East Rock, over the past 13 years.

Yale Thursday announced it is extending the highly successful homebuyers program for another two years, while also increasing its financial contribution.

Created in 1994 by Yale President Richard C. Levin, the latest version provides a \$5,000 first-year incentive payment and an annual payment of \$2,500, up from \$2,000, for a total of 10 years. Yale said the \$30,000 grant makes it the most generous employer-assisted homeownership plan in the country.

The university has committed more than \$21 million to the program in the last 13 years. This has resulted in some \$130 million worth of residential purchases in the city, with more than 80 percent first-time buyers; almost half were minorities.

The 2006 census estimate puts owner-occupied homes in the city at 32.9 percent, up from 29.6 percent in 2000, while the national average is 67.3 percent. "Home ownership is the best route to becoming solid middle class. It is wealth building at its most fundamental," said New Haven's Chief Administrative Officer Rob Smuts.

Kim, a graduate of Yale, said she returned to New Haven three years ago and had planned to leave in six months. "The joke always is, I'm on my third or fourth annual goodbye party, but I just never leave," she said.

The program gets high marks from Yale alumnus Fred Carstensen, director of the Connecticut Center for Economic Analysis and an economics professor at the University of Connecticut, who said increasing home ownership in cities boosts every socioeconomic aspect from job retention to a reduction in crime and improved educational outcomes.

"If you don't address the issue of owner-occupied housing in our urban areas, you will never be able to address the pathologies of the educational system. It is mobility of children that is a primary

factor in undermining educational outcomes,” Carstensen said in a recent interview.

Stephanie Bowers, a Yale dining hall worker for the past decade and a first-time homeowner, said her purchase in the Hill a year ago was “a blessing.” For her, the biggest advantage is independence she now feels.

“You know it is yours. You can paint your walls. ... You can do anything you want to your place. It’s an investment. You are not putting money in someone else’s hands that you never see,” Bowers said.

The Hospital of Saint Raphael has had a program in place since 1994 in which 26 workers bought homes close to the hospital with \$5,000 down payment assistance; Yale-New Haven Hospital started in 2006 with 26 homes bought with help of up to \$10,000 in forgivable loans, with an additional \$2,400 available for specific neighborhoods. A spokesman said 200 applications are being processed.