



Developing a pro-housing movement? Public distrust of developers, fractured coalitions, and the challenges of measuring political power

Katherine Levine Einstein¹ · David M. Glick¹ · Maxwell Palmer¹

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Abstract

Developers have a longstanding history of exercising disproportionate influence over federal, state, and local policy decisions, often at the expense of communities of color and lower-income neighborhoods. Recent research suggests, however, that homeowners and the interest groups that represent them may have gained the upper hand politically, making it harder to build housing—especially in high-demand cities. This article explores how the link between developers and perceived profit-seeking may limit the construction of new housing and the formation of effective housing reform coalitions. It concludes by evaluating why measuring developer power—and disproving negative views of developers—is methodologically quite challenging.

Introduction

Housing is extraordinarily difficult to build in many communities in the United States, fomenting a crisis that makes housing unaffordable for large numbers of low- and middle-income residents (Glaeser 2011; Gyourko and Molloy 2014; Been et al. 2014; White 2016; Bernstein et al. 2021). The housing shortage persists despite the long-recognized political power of housing developers (Logan and Molotch 1987). As an interest group, developers have influenced federal, state, and local policy decisions to their own financial advantage. Often, this political power is wielded at

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✉ Katherine Levine Einstein
kleinst@bu.edu

David M. Glick
dmglick@bu.edu

Maxwell Palmer
mbpalmer@bu.edu

¹ Department of Political Science, Boston University, Boston, MA, USA



the expense of communities of color and lower-income neighborhoods (Logan and Molotch 1987; Rae 2004; Hackworth 2007; Sattler 2009; Levine 2017; Michener and Wong 2018).

Some recent studies suggest that the pendulum may have swung back in favor of anti-growth homeowners, and the interest groups that represent them, especially in high-demand metropolitan areas (Schleicher 2013; Been et al. 2014; Einstein et al. 2019; Pasotti 2020). State and local land-use policies make housing development more expensive and unpredictable (Glaeser 2011; Gyourko and Molloy 2014; Been et al. 2014)—often by creating opportunities for small groups of vocal community members to stop or delay new projects (Pendall 1999; Tighe 2010; Schleicher 2013; Einstein et al. 2019). Engaged in a zero-sum game with developers, homeowners and neighborhood associations have seemingly gained the upper hand politically in many communities. Indeed, the perceived political and economic power of developers may, in fact, fuel some opposition to new housing units (Monkkonen and Manville 2019). These dynamics may extend to broader political debates about housing reform.

This article explores how, in progressive, high-housing-cost cities and states, negative views of housing developers, and their inextricable links to profit-seeking, may limit the construction of new housing and create fissures among potential housing reform allies. We show that the public has deep antipathy towards developers; combined with the structure of housing policy conversations, this distrust creates a narrative in which homeowners, as self-proclaimed defenders of “community interests,” face off against untrustworthy developers who are motivated only by narrow profit-seeking. Using new data from a survey of mayors, we find that, in contrast, local leaders see developers more positively. These dynamics may help to explain why developers are not only vilified by opponents of new housing, but also denigrated and scorned by potential coalition partners who support the construction of more housing.

We conclude by discussing the methodological barriers inherent in measuring the political power of developers and homeowners and making normative claims about their relative influence. In short, the political and economic power of developers may be difficult to observe (Bachrach and Baratz 1962). Indeed, it is virtually impossible to measure the backroom dealing where many researchers, and the public, believe developers exert their greatest power. These interactions are by their very nature shadowy and hidden. Even with public data on, for example, campaign donations, this reality makes it difficult to adjudicate between differing (and often quite heated) debates over their political power.

As a final caveat, we note that the evidence in this paper draws from the experience of high-housing-cost cities. In these places, a failure to build enough market-rate and subsidized housing has fueled skyrocketing costs (Gyourko and Molloy 2014; Schuetz 2019). The social costs of the failure to build are particularly acute in these locations (Rothwell and Massey 2013; White 2016; Bernstein et al. 2021). But, developer power may operate quite differently in communities that are not experiencing strong growth pressures. Privileged white homeowners fight new housing in high growth and declining cities (Einstein et al. 2019). But, the ability of developers to combat homeowner opposition may differ dramatically depending upon the



economic context of a community. Economically declining cities may be considerably more willing to offer concessions to developers in order to foster growth (Stone 1989; Morel et al. 2021). In other words, in both high housing cost and economically declining cities, residents may believe that developers run local politics; the reality of developer power, though, may in fact operate differently.

Anti-growth politics and the power of developers

Recent scholarship on the local politics and economics of housing has focused on community opposition to new development as a powerful obstacle to the construction of new housing (Pendall 1999; Fischel 2001; Tighe 2010; Hankinson 2018; Marble and Nall 2020; Einstein et al. 2019). Conversations about new housing developments are dominated by a privileged group of older, white, homeowners who oppose new housing development (Einstein et al. 2019). In at least some high-cost cities, renters share this distaste for new housing (Hankinson 2018). Homeowners and neighborhood associations frequently play an important role in building and organizing this opposition (Trounstine 2018; Einstein et al. 2019).

These groups present varied arguments against development and frequently invoke *neighborhood* concerns and portray themselves as defenders of the community (Einstein et al. 2019). The language they use to justify their opposition rarely highlights their own financial interests, such as property values and investment concerns. Instead, residents and interest groups seeking to stop or delay new housing describe the ways in which a proposed project might degrade their community, ruining the local environment, wildlife, traffic, or public services. Their stated reasons are rooted not in self-interest, but in those of the community (Einstein et al. 2019).

For-profit, private developers, in contrast, are often viewed as shadowy, powerful interests who exert enormous and disproportionate influence in urban politics and policy (Logan and Molotch 1987; Hackworth 2007; Monkkonen and Manville 2019).¹ Residents see developer interests—particularly when constructing market-rate development—as motivated primarily by financial gain. Indeed, evidence from survey experiments suggest that this antipathy toward developers undergirds much of the opposition to new market-rate housing (Monkkonen and Manville 2019).

In many ways, community members' views about developers are well founded. Market-rate developers' interests are rooted in improving their firm's *finances*. They have no intrinsic desire to improve conditions in the communities in which they build—other than, perhaps, as a means of securing future business. By definition, developers, for the most part, are not neighbors. They typically purchase a property, tear it down or renovate it, and then resell it to the eventual long-term property owner. This short-term investment may lead residents to perceive developers as

¹ In keeping with much of the literature on developer politics, this article focuses on private, for-profit developers. Other entities—notably the federal, state, and local government and nonprofits—can also act as housing developers. The discussion of these developers likely differs markedly in those contexts—though, we note, the public opposition to this type of housing remains fierce (Tighe 2010).



having a more speculative and predatory, rather than neighborly, relationship with the community.

Moreover, developers have wielded enormous power in cities' planning and policymaking—especially in larger cities (Logan and Molotch 1987; Rae 2004; Sattler 2009; Levine 2017; Michener and Wong 2018). They have used this disproportionate influence to advance their financial interests at the expense of communities of color and lower-income neighborhoods. Many cities bear the scars of urban renewal processes driven by developer—rather than community—interests (Caro 1974). These processes continue today, as developers scoop up investment properties in gentrifying communities, and resell them at enormous profits to outsiders. In short, the profit-motivated and at-time unscrupulous behavior of developers has profoundly reshaped communities—and the political and civic lives of those who have experienced these powerful neighborhood changes (Sattler 2009; Levine 2017; Michener and Wong 2018). In many cities, distrust of developers has been built by the ravaging of vulnerable communities over multiple generations.

At times, developer power plays have even devolved into outright bribery and public corruption. In one 2018 example, a real estate company in Los Angeles bribed a city councilor in order to, among other things, reduce the amount of affordable housing required in the development.² Beyond these more overt abuses, limited enforcement capacity means that, in many communities, developers may flout local building codes. Inappropriately sealed dumpsters, loud work sites, unsafe construction sites, and lengthy construction disruptions all likely (and understandably) contribute to resident antipathy toward developers.

Finally, the byzantine building process in many American cities may favor big developers over smaller, community-based ones. Larger developers have the resources to hire the necessary specialist staff and weather lengthy construction delays. Smaller developers, in contrast, often lack the same financial cushion, leaving them less able to compete. In practice, this may increase the likelihood that a developer is from outside the community—and thus less sympathetic to local residents. Widespread perceptions of developer greed and corruption thus have some basis in truth, both in contemporary and in historic politics.

Perceptions of developers

We begin by focusing on the public and its perceptions of developers and homeowners. While many previous studies have investigated aspects of this question, they have typically focused on one city or movement. Does the contemporary public in cities facing acute housing shortages have a widespread mistrust of developers? Are homeowners in these cities seen as defenders of community interests? While nationally representative public opinion data about developers are not available, Marble and Nall (2020) included questions about trust in developers (and other groups) in their 2017 survey of residents of the 20 largest metropolitan areas of

² <https://www.latimes.com/california/story/2021-01-07/downtown-developer-will-pay-1-2-million-in-l-a-city-hall-corruption-case>.



the United States.³ The survey reveals that the vast majority of respondents have very low levels of trust in real estate developers, comparable to the level of trust in Donald Trump (in highly Democratic metropolitan areas) and corporate executives. While only 36% of respondents trust real estate developers, over 90% of respondents express trust in homeowners, and more than half of all respondents report trusting the police, apartment renters, and their state and local governments. Welfare recipients and the federal government both were more popular than developers. Figure 1 displays the levels of trust for each category.

This distrust of real estate developers spans all demographics. Figure 2 reports the levels of trust by age, gender, homeownership status, race, and political party. With the exception of people aged 18–24, substantial majorities of every demographic group have little trust in developers. The age gap is intriguing; older residents who lived through periods of stronger developer power may have more distrust of developer interests. This general lack of trust correlates strongly with opposition to building new housing. As part of their survey experiment, Marble and Nall (2020) asked respondents (with varying contextual information as treatments) about their level of support for building different types of new housing. Pooling across all conditions (including the control), we find that respondents with greater distrust of developers are less likely to support new development of all housing types. Figure 3 shows this relationship.⁴ This relationship between distrust in developers and support for new housing is negative and statistically significant for all housing types, controlling for race, age, gender, party, and homeownership status.⁵

Community vs. profit meeting dynamics

This widespread antipathy toward developers is important. As we briefly noted earlier, the institutions through which much of America's housing actually gets built provide pathways for public views, including those about developers, to profoundly affect the production of housing. Because housing construction in many communities is tightly controlled by zoning and land-use regulations, proposals involving the construction of more than one unit of housing often find themselves requiring a special permit or variance for approval. This means that these projects are subject to a public hearing process where community members have an opportunity to raise objections to a proposed development (Schleicher 2013; Einstein et al. 2019). It is through these forums that public distaste for developers becomes a true liability. Such views may motivate some to participate. Moreover, they shape the general

³ While Marble and Nall (2020) asked respondents about their trust in developers, they do not report the results of this question in their article. We rely on their full survey data, helpfully shared with their article replication data, for this analysis. The survey included 4100 respondents across the 20 largest MSAs and was conducted online in 2017.

⁴ While Fig. 3 reports the results for the full data, the results are similar when limited to the control group.

⁵ We make no claims here about causality from these survey data. Experimental results from Monkonen and Manville (2019) suggest that this distrust does, in fact, lead to opposition to new housing. But, this does not rule out the possibility that opposition to new housing could also lead to antipathy towards developers.



dynamics of these meetings to the detriment of developers and constitute an important tool for opponents to wield.

Participants at these meetings—and the neighborhood and homeowners' associations who represent them—invoke community concerns, highlighting neighborhood public services, environmental concerns, wildlife, traffic, and greenspace, among other issues. Rather than narrowly present parochial concerns, members of the public frequently portray themselves as defenders of community interests (Einstein et al. 2019). They also juxtapose their ostensibly broad and community-oriented perspective with developers' self-serving economic interests.

In previous work, we collected thousands of pages of planning and zoning board meeting minutes across 97 eastern and central Massachusetts cities and towns between 2015 and 2017 (Einstein et al. 2019). These data encompass all meetings about the construction of more than one housing unit—from small infill projects to large apartment complexes. These cities and towns represent a wide demographic range, including large dense cities, small, homogenous suburbs, and deindustrialized old mill towns. Here, we qualitatively analyze the self-presentation and bargaining strategies of neighborhood associations and interest groups.

The neighborhood residents and interest groups that attend these meetings invoke their status as community-minded representatives when arguing against development. At one 2016 Zoning Board hearing about a market-rate affordable housing development in Brookline, MA, the president of a local neighborhood association expressed strong concerns about the proposal, invoking her status as a defender of the community: "I'm the president of the Sheafe/Holly/Heath Neighborhood Association...and *therefore I represent the neighbors and their concerns* [emph. added]...40B [a MA state program for encouraging affordable housing development] is important, but the neighborhood and residents are also." At a Lawrence, MA Zoning Board meeting in 2017, the meeting minutes noted that "Ms. [X]...stated that she, being the President of the Mt. Vernon Neighborhood Association, was representing many that could not be at the meeting. She said that many of her Mt. Vernon neighbors were opposed."⁶

Sometimes, these neighborhood interest groups negotiate with the developer on behalf of their constituents. The minutes of a 2015 Planning Board meeting in Weymouth, MA describe how the president of the local neighborhood association:

met with [the developer] several times and his proposal is a good faith result of their negotiations. The association would still like to see 10 units. [The developer] also changed the building shape, color scheme, and added green space. There are light blocking shields. The Association would like to see these conditions in the approval. They would like the parking in the rear not to be built yet and there is an issue with the wall. They do not support or oppose this proposal, they were just trying to mitigate for the neighbors.

More broadly, these types of negotiations are sometimes formalized into Community Benefit Agreements (CBAs) (Wolf-Powers 2010). In this framework,

⁶ While meeting commenters are identified by name in the public meeting minutes, we have redacted their names to preserve their privacy.



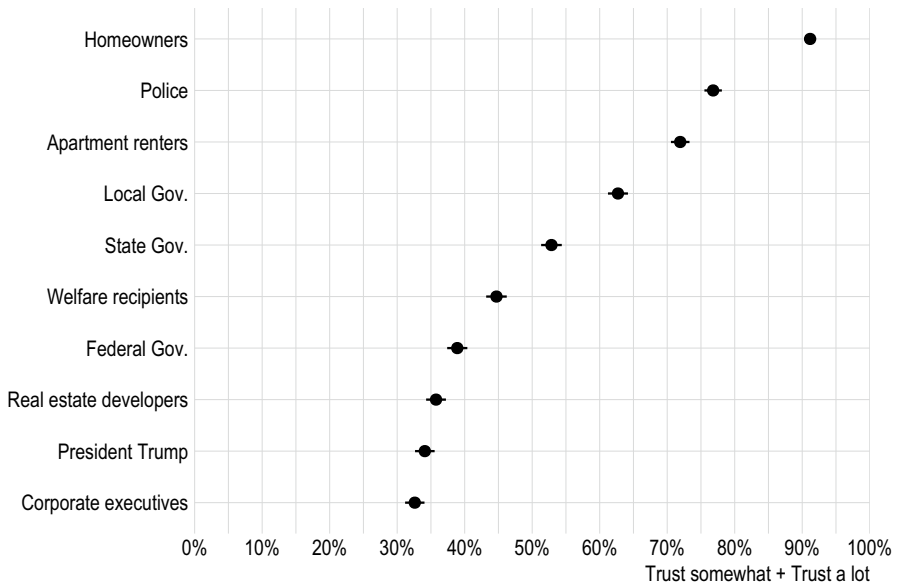


Fig. 1 Levels of trust

neighborhood interest groups seek to extract ostensibly community-oriented concessions from developers—who are presumed to not be acting in the broader interests of the community—in exchange for permitting a proposed project to happen.⁷

Local leaders and developers

In all of these contexts—broader public opinion, public meetings, and CBAs—neighbors and their interest groups position themselves as community-minded. They juxtapose this self-presentation with the selfishness and greed of developers. We now turn to local elites and how they see developers and the politics between developers and homeowners.

Local elites recognize that this public disdain for developers poses a significant challenge to the construction of new housing. In the 2021 Menino Survey of Mayors,⁸ we asked a nationally representative set of mayors⁹ of cities over 75,000 their perceptions of developers ($n = 126$). Specifically, we asked mayors how strongly they agreed or disagreed with the following statement: “In general, real estate developers are a negative influence on my city.”

⁷ We have relatively little empirical evidence on whether CBAs succeed in this stated aim (Chapple and Loukaitou-Sideris 2021).

⁸ The Menino Survey of Mayors is conducted annually by Boston University’s Initiative on Cities.

⁹ Details about the demographics of participating mayors, compared with the national population, can be found here: <https://www.surveyofmayors.com/files/2021/11/2021-Menino-Survey-BBB-Report.pdf>.



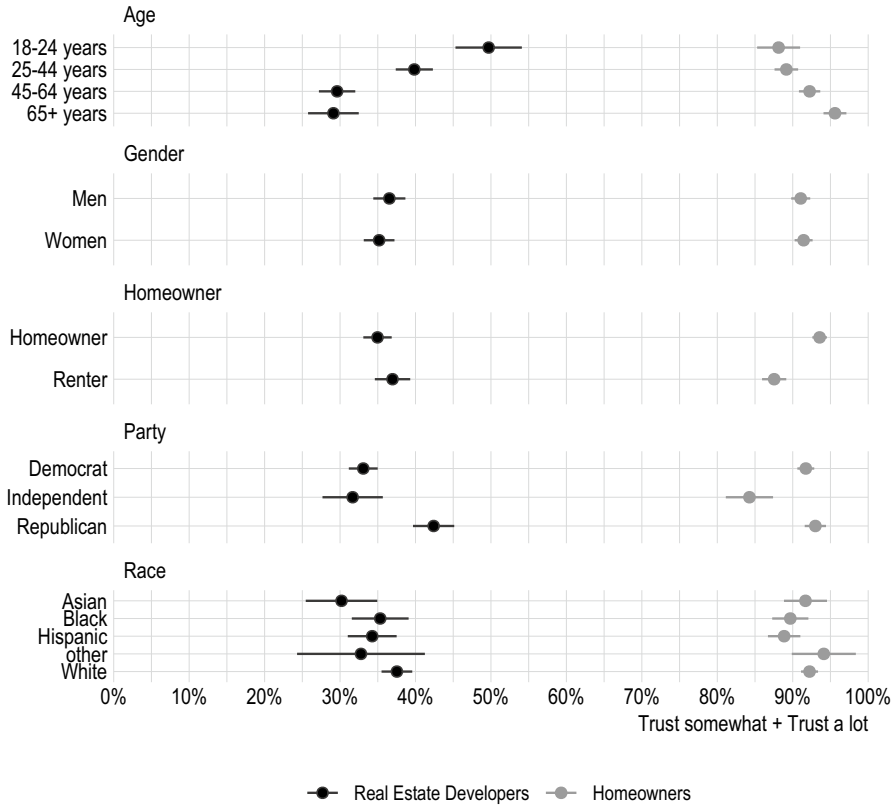


Fig. 2 Levels of trust in real estate developers and homeowners by demographic groups

The results are striking. Only *seven percent of mayors* agreed with the statement. 79% disagreed, with the remainder adopting a neutral stance. These results hold across party lines (though Republican mayors are more likely to strongly disagree), city size, and some city demographics. Mayors of higher housing cost cities are 19 percentage points more likely to adopt a neutral stance—which in this case is the anti-developer position—relative to their counterparts governing cheaper cities. However, even in more expensive communities, 69% of mayors disagree that developers are a negative influence. Obviously, the wording differs somewhat from the question underlying the general public data we discussed. Nevertheless, mayors’ views about developers appear considerably more positive than those of the general public.

Mayors recognize this public antipathy. One southern mayor, when asked whether he agreed or disagreed with the statement said, “I somewhat disagree, but now my citizens would disagree with me—but someone needs to build the apartments and houses.” While he did not view developers as intrinsically altruistic, he saw their aims—building new housing—as aligned with his community’s. Others similarly saw developers as making positive contributions to their communities, while understanding that



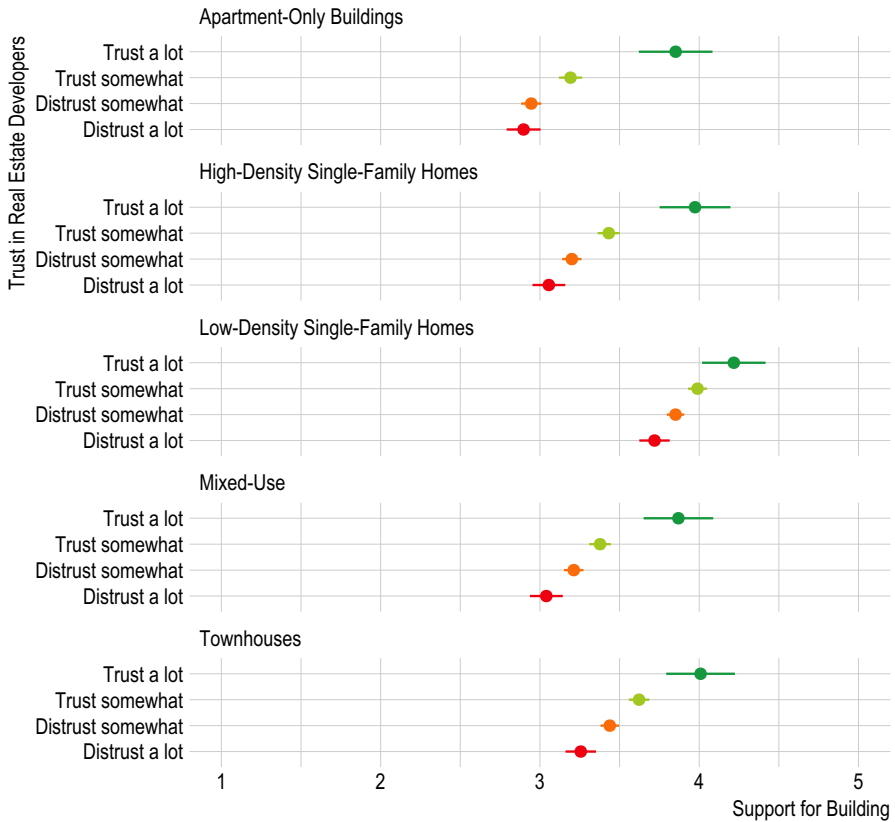


Fig. 3 Relationship between trust in real estate developers and supporting new housing development

the behavior of developers contributed towards negative perceptions: “Disagree [that developers are a negative influence], but some of them are total [jerks].”

Barriers to coalition-building

Thus far we have discussed widespread antipathy to developers and the ways it interacts with the structure of public housing proceedings. This is not the only way in which developers’ unpopularity affects housing supply. It can also create a wedge in potential pro-housing coalitions. Rather than serving as well-resourced and motivated allies for reformers, developers’ unpopularity makes them a liability that hinders otherwise advantageous alliances. At a basic level, many housing reformers—like general members of the public—dislike and distrust developers, and are unwilling to see their interests as aligned. They may automatically be less inclined to support a policy if they know developers endorse it. Moreover, strategic housing advocates—even those who may be more sympathetic to developers’



interests—likely know that developers’ unpopularity may make them toxic coalition partners in the eyes of the policymakers who are ultimately accountable to their constituents.

These fissures have been most evident in recent debates over reforming local zoning rules. A growing number of cities and states have proposed or enacted land-use reforms to facilitate the construction of multifamily housing—and to remove exclusionary impediments to the construction of new housing.¹⁰ These types of policy reforms potentially appeal to disparate groups. Affordable housing advocates may appreciate that land-use reform facilitates the construction of more and cheaper housing. Proponents of racial and economic equity may endorse policies that make it easier to build in exclusionary and segregated communities. Environmentalists might favor policies that allow for the construction of dense, transit-oriented developments, thereby reducing vehicle emissions.

Developers and others in the homebuilding/construction industry are perhaps the most immediate beneficiaries of such changes. Land-use reform often makes it cheaper to build. It increases the number of units that a developer can place on a particular plot of land, and simplifies the oftentimes onerous permitting process. As a consequence, developer and homebuilding interest groups have strongly supported efforts to relax zoning and land-use regulations at the state and local levels. They have chafed when advocates and policymakers push for additional affordability requirements and restrictions.

The fact that developers are the most transparent supporters, however, provides a political opportunity for opponents to fight land-use reforms on ostensibly progressive grounds. Some opponents highlight developers’ purported disproportionate influence on housing policy. In response to a Virginia effort to permit duplexes in areas zoned for single-family housing, one Democratic-leaning civic group,¹¹ Arlingtonians for Our Sustainable Future, suggested that community planning was “hostage to developers’ pressure.”¹²

Others underscore developers’ profit motives, often bolstered by developer groups’ opposition to policies targeted towards affordability, such as inclusionary zoning. In Cambridge, MA, The Black Response Cambridge, a coalition of Black members of Black-led, Cambridge organizations, strongly opposed increasing the allowable density in the city’s zoning code on affordability grounds. In doing so, they invoked developers and their interests: “Asking for-profit developers to fix the affordable housing problem is like asking an arsonist to put out their own fire. What is their incentive?...The recent ‘missing middle’ upzoning petition led by for-profit developers does not result in the housing that we, The Black Response Cambridge,

¹⁰ A wide body of scholarship links land-use regulations and exclusionary zoning practices with higher housing costs and greater economic and racial segregation (Gyourko and Molloy 2014; Rothstein 2017; Tronstein 2018).

¹¹ <https://www.bloomberg.com/news/articles/2019-12-20/inside-the-virginia-bill-to-allow-denser-housing>.

¹² https://3d81d522-ce99-431c-a359-61f1ce06c557.filesusr.com/ugd/a48bae_0e6e1c52b02549c6a82410946fece1b.pdf.



want to see.”¹³ Livable California, a nonprofit, anti-development advocacy organization, exemplifies this point. In describing their organization’s mission, they distinguish between the preferences of “developers” and those who crave “affordability” and “livability”:

The *developer* / “trickle-down” camp [emph. added] wants free reign to build what they want, where they want, without oversight from local communities and their elected representatives. They believe that building more of anything, no matter how expensive, will eventually bring housing prices down by a factor of two or three to where housing becomes affordable again. The *affordability/livability* camp [emph. added] wants housing that is affordable to a majority of the people and is built with community input and local oversight to maintain and enhance the livability of communities. They believe that affordable housing requires doing something different and smarter than just building more high-end housing and hoping the benefits trickle down.¹⁴

Livable California rates state bills by describing the extent to which they benefit developers, with developer benefits generating an automatic classification as a “bad bill.” One proposed piece of legislation, for example, was “bad” because it “empowers developers to override cities, buying and destroying stores and businesses to build dense market-rate housing.” Another so-called “truly bizarre bill is [State Senator Scott Wiener’s] latest gift to speculators.” In Arlington, MA, an anti-development group employs a similar strategy, highlighting developers’ desire to skirt local inclusionary zoning requirements as a reason to oppose state and local housing reform efforts:

Some have suggested that to create more affordable housing we should abolish single-family zoning and allow for two units per lot. Rezoning our R1 districts to R2 is a developer’s dream: Our inclusionary affordable housing bylaw only kicks in at six units or more, and would not apply to this type of development. Opening up the R1 districts means that developers will target the thousands of smaller, older homes in Arlington that are semi-affordable today. They will be torn down and replaced with boxy duplexes, with each unit costing two or three times as much as the home it replaced. Gentrification and the economic gap in Arlington will only increase.¹⁵

Opponents take advantage of community sentiment towards developers by positioning any piece of legislation that benefits developers as anti-affordability.

Finally, opponents of zoning reform portray it as anti-environmental, often citing developers’ history of ravaging local environments. This line of criticism has strong roots in developers’ longstanding fight against environmental protections and regulations (Mullin 2009). The Sierra Club opposed a state land-use reform in

¹³ <https://www.cambridgeday.com/2021/02/15/black-response-cambridge-on-upzoning-petition-missing-middle-fails-for-housing-affordability/>.

¹⁴ <https://www.livablecalifornia.org/livable-california-housing-background/>.

¹⁵ <https://sites.google.com/view/arfr/facts-faqs?authuser=0>.



California on the grounds that it would allow developers to bypass environmental review, thereby contributing to environmental degradation:

This means that certain projects up to 85 feet in height (about 8 stories) would be eligible for ministerial permitting, and thus avoid environmental review under the California Environmental Quality Act (CEQA), in areas where all design, review, and public comment focus on single-family homes. This would increase the amount of unmitigated pollution in these communities while stifling public input. We continue to believe that developers should prevent or mitigate their pollution, and this potential avoidance of CEQA is unacceptable.¹⁶

Livable California argued against a bill that would have allowed municipal governments to override citizen-initiated ballot measures in some instances on the grounds that it would amplify developer power and harm the environment: “SB 902 fuels unhealthy power plays by developers who the bill incentivizes to attempt to elect a majority on city councils and boards of supervisors in order to swing the vote to roll back voter approvals that permanently protected lands....We at Livable California have discovered 40, and believe there may be hundreds, of citizen initiatives, approved by voters, that protect shorelines, hillsides, urban growth boundaries, open space, and other lands. This bill is a direct attack on the environment and voter rights in California.”¹⁷ In Cambridge, MA, The Cambridge Citizens’ Coalition contended that an effort to eliminate single-family zoning would harm the local environment, in part because of developers’ profit motivation:

Let’s not overlook the effect on open space and the tree canopy. Slashing the space required between buildings means less open space and fewer mature trees. Under “Missing Middle” zoning, all setbacks (front, back and sides) are cut basically in half. Owners can also go up to 40 feet - the equivalent of a four-story building. Proponents promise that since “The Missing Middle” gets rid of the requirement of off-street parking, driveways would turn into gardens. That’s a lovely dream, *but developers look to their return on investment* [emph. added], and roughly two-thirds of households in Cambridge have at least one car. We can wish that the cars all go away, but “Missing Middle” zoning means only that will be far more of them competing for the same number of on-street parking places.¹⁸

Opponents thus have a wide array of ways in which to use community dislike of developers as a tool to stymie housing reform.

¹⁶ <http://www.ethanelkind.com/wp-content/uploads/2018/01/SB-827-Wiener-Oppose-Final.pdf>.

¹⁷ <https://www.livablecalifornia.org/letters-submitted-for-against-california-housing-bills/>.

¹⁸ <https://www.cambridgeday.com/2021/03/29/missing-middle-zoning-is-bait-and-switch-cambridge-style-and-wont-aid-affordability/>.



The challenge of evaluating developer power

Thus far, we have discussed ways in which the public's disdain for developers, however, merited, can hinder the construction of new housing that proceeds through public forums and make it harder to pass pro-housing policies. We have not considered the validity of some of the key beliefs that opponents of developers and their interests hold. Perhaps developers do control the levers of urban policy behind the scenes—to the detriment of the broader community. Perhaps developers' real influence comes from their unfettered access to senior leadership rather than the public's ability to speak against developers' proposals for a few minutes at a board meeting. The long shadow of urban renewal and contemporary emphasis on higher-end, luxury development in many communities certainly lend credence to this account, especially in communities of color that have been historically marginalized in urban planning (Levine 2017). Opponents of new housing projects may, in this telling, serve community interests in combating hidden developer power.

In this section, we use several examples to show that this account is difficult to falsify. Indeed, in their seminal work on political power, Bachrach and Baratz (1962) note, "The question is, however, how can one be certain in any given situation that the 'unmeasurable elements' are inconsequential, are not of decisive importance? Cast in slightly different terms, can a sound concept of power be predicated on the assumption that power is totally embodied and fully reflected in "concrete decisions" or in activity bearing directly upon their making? We think not" (p. 948). In articulating a second face of power, Bachrach and Baratz (1962) argue that power cannot simply be evaluated by exploring whether "A participates in the making of decisions that affect B." Rather, "power is also exercised when A devotes his energies to creating or reinforcing social and political values and institutional practices that limit the scope of the political process to public consideration of only those issues which are comparatively innocuous to A" (p. 948). It is this second face of power that most believe developers wield. And it is this second face that is difficult to prove or disprove.

Indeed, our analysis of the survey of mayors earlier in the article helps to illuminate this point. One way to interpret mayors' fairly rosy perceptions of developer influence would be to argue that they see the value developers provide to their communities by building new housing. This is the logic we used earlier in this article. Another plausible interpretation, though, is that mayors are forced to make concessions to developers in order to govern (Stone 1989)—or, perhaps that mayors' and developers' political and financial interests are linked, at least in part, because the former take money from the latter. It is impossible for us to prove one way or another whether mayors' perceptions are shaped by hidden developer power, and if they are, exactly which source of power is doing the work. We further explore these methodological and inferential challenges by returning to public meetings and exploring campaign donations.



Developers at public meetings

We could attempt to measure observable manifestations of developer power. We could trace, for example, their participation in the same public meetings at which members of the public so effectively oppose the construction of new housing. Developers present project plans before local planning or zoning boards or city councils. Public officials on these reviewing bodies then have the opportunity to ask clarifying questions before proceedings turn over to members of the general public. After public comment is closed, public officials then debate whether to approve a proposal, deny the application, or continue the hearing.

This procedural order means that public hearings present developers with an agenda-setting opportunity. They are the first to speak and therefore can frame their project in terms of community goals—just as residents frame their opposition as representative of broader community interests. To evaluate how developers use this opportunity, we analyze public meeting minutes—some that include exact transcripts—to illuminate whether developers contextualize their projects in these public-spirited terms.

Specifically, we select several cases from a broader set of public meetings across Massachusetts (Einstein et al. 2019). We explore public meetings from the following five Massachusetts cities and towns, representing a range of socioeconomic and racial demographics: Arlington, Cambridge, Lawrence, Sudbury, and Worcester. For each, we analyze the project that received the most public comments—in some cases, across multiple meetings. This procedure allows us juxtapose the arguments made by developers with those made by community members in projects that generate a lot of attention and activity. All of these projects were unusually large relative to others in their respective communities. They attracted substantial public participation. These big projects pose a conservative test for our analysis: we should expect bigger projects to be proposed by more professionalized and sophisticated developers who would anticipate significant opposition. This should, all else equal, lead to *better* developer presentations that take into account potential community opposition and highlight the broader benefits for their proposed projects.

Across these diverse contexts, the bulk of developers and their team members primarily focused their comments on: (1) describing project plans, and (2) explaining how these plans aligned with city/town land-use codes.¹⁹ They outlined traffic studies, building heights and layouts, landscaping and wastewater plans. Very few (three out of 44 comments) linked the construction of more housing with affordability—despite the well-documented connection in Massachusetts and elsewhere between insufficient housing and rising costs (Einstein et al. 2019). Indeed, developer profits were cited in public comments as often as were affordability concerns.

In one case, project proponents even defended a proposal by drawing a contrast between the project and those of so-called greedy developers. The developer's architect explained that "We, we're asking for the relief because it's needed not because – [the developer is] not a greedy developer. This is her first time developing...[W]e've actually internally pushed back and trying to hone it down to the minimum

¹⁹ We coded 44 developer/team member statements across these five cities and towns.



that is, you know, kind of a doable thing. So we really are not trying to hide anything about this development.” Developers and housing supporters recognize the stereotype.

These relatively narrow presentations contrast with neighbors’ comments on these same projects, which highlighted broader community concerns. Rather than focusing on zoning and land-use regulations, neighbors emphasized how traffic harmed their quality of life, what density would do to their neighborhood’s character, and how the proposed development might degrade the local environment.

The one exception to this rule was in Cambridge, where the project developer and their team were far more likely to comment on broader city and town goals. Indeed, 10 out of 44 developer team comments in our full data set linked their plans to broader city/town goals; six of those comments came from the team developing a large housing complex—including affordable housing—in Cambridge, MA. These developer team members highlighted their conversations with the broader community and meetings with city and town officials, and noted the influence these conversations had on their proposed project. One said that a proposed development met the city’s goals as outlined in a Red Ribbon Commission and Central Square Advisory Board study. Relative to the other communities we analyzed, Cambridge faces stronger development pressures due to its universities, biotech industry, community amenities, and proximity to Boston. It may be that developers in this more competitive environment have responded with more professionalized presentations—or that the Cambridge Planning Board has solicited these types of developer presentations in prior meetings. Indeed, developers’ goal is ultimately to persuade local permitting boards to allow them to build; strategically, they should try to hew their presentations as closely as possible to board members’ preferences. Compared with the presentations of other developer teams in surrounding communities, the community-oriented emphasis of the Cambridge developer was notable. This case also suggests that developer project presentations need not inevitably hew to minutiae of land-use regulations to the exclusion of broader considerations and interests. Future research might further explore variations in developer behavior to better identify how community context, board behavior, and developer characteristics shape variations in how development teams present their proposals, and ideally, whether such differences affect outcomes.

One interpretation of these results is that developers are not, for the most part, effective agenda-setters at public meetings. Rather than linking their proposals with broader community aims, developers tend to quickly cede that ground to neighborhood residents. A more cynical view would hold that developers do not need to be particularly effective presenters at these meetings because they have back channel access to public decision-makers. We cannot, of course, measure these secret meetings (or, in the most cynical possible view, bribes), making it impossible to disprove that shadowy economic interests, in fact, dominate political decision-making.



Developers in political campaigns

Donations to political campaigns present a similar analytic challenge. Developers might also further confirm and exacerbate their reputations as shadowy influencers by making large campaign donations. Indeed, while developers have anecdotally “bought” politicians using explicit and illegal bribery, they could also legally seek influence by contributing to campaign coffers. Doing so could also be a way in which they exert influence and pursue their goals outside of the institutions that we have shown to be disadvantageous for them.

To examine this possibility, we analyzed campaign contributions to elected officials in Massachusetts. The state’s campaign finance regulations require that candidates in cities with populations greater than 65,000 people file with the state Office of Campaign and Political Finance, and that donors report their occupation and employer when contributing more than \$100 to a candidate.²⁰ We focus on the 2017 mayoral elections for the ten cities with the most expensive elections (Boston, Newton, Fall River, Lawrence, Somerville, Framingham, Salem, Lynn, Revere, and Holyoke).²¹ For comparison, we also include candidates for statewide office, state legislature, and district attorney in 2018. For each contest, we restricted our sample to the two candidates with the largest contributions over the previous two years (2016 and 2017 for mayors, and 2017 and 2018 for the other candidates), and dropped any candidate who raised less than \$10,000. This produced a sample of 311 candidates running for 219 offices.²²

We coded the individual contributions based on occupation and employer. We used the employer and occupation fields for the individual donors to determine if the contributor was likely to be a developer or in a related field. We also coded for contributors working for the city, in law, and in medicine, for comparison. This coding will necessarily be approximate, as small donors are missing this information, and the occupation and employer will not match perfectly to industry. Furthermore, this coding may combine donors with opposing views on development. For example, while we expect developers, contractors, and builders to be mostly pro-development, real estate agents may be less supportive (McCabe 2016). As a result, we code real estate as a separate category from development. We validated the coding by verifying that the largest developers, builders, and other companies in the industry were properly coded when they donated.

Figure 4 reports the average percentage of contributions to a candidate from donors working in each industry. In mayoral elections, the average candidate receives about 5% of their total contributions from the real estate industry, comparable to receipts from real estate agents and lawyers, and less than they receive from municipal workers (including police, fire fighters, public school teachers, and others

²⁰ Candidates in smaller cities and towns file locally, and contributions are not reported to a centralized database.

²¹ Other large cities, such as Worcester and Cambridge, are excluded because they elect their mayors as part of the city council election.

²² We restricted the sample due to the large number of candidates who raised minimal funds and did not run viable campaigns.



listed their employer as the city). The share of contributions from developers is slightly lower in the other categories, where the largest share of contributions come from lawyers. This is especially notable in elections for district attorney, where 24% of contributions to the average candidate come from the legal sector. Indeed, the disproportionate political activity of lawyers in district attorney races suggests that interest groups—when motivated—can dominate local contests (Anzia 2014). These same dynamics do not appear to be at play for developers in local elections. Figure 5 presents the same data for each of the ten cities in our sample. Contributions from developers are highest in Boston. In several cities, municipal workers, who are employed by the city and whose compensation is determined through negotiations with the city government, have the largest share of donations. We find little evidence that developers represent a major source of campaign contributions to any statewide or local office.

Once again, while this empirical analysis shows that developers are relatively uninvolved in campaigns, it is possible that developers shape campaigns in other ways. If politicians view them as essential governing partners (Stone 1989), then they may allow developers to shape their policy agenda without dollars exchanging hands. And, as always, money may flow from developers to politicians in other hidden ways.

Conclusion

As in any study that attempts to measure political power, developers may exert their influence in ways that we cannot observe. While journalistic accounts in many large cities have identified isolated instances of developer bribery and corruption, there are likely many other times where such behavior has gone undetected. Moreover, developers may engage in racist or sexist gatekeeping—as in many other professions—which prevents community members from profiting in real estate transactions. While this article suggests that developers may not be as omnipotent as some advocates and scholarly accounts suggest, it by no means rules out the possibility that developers engage in shadowy power plays at the expense of marginalized community members.

What's more, the dynamics look considerably different depending upon the focus of study. Our evidence in this articles comes from states and cities with extraordinarily high housing costs. Understanding the housing politics of these so-called super-star cities is critical; many of these cities have experienced enormous economic growth, and would potentially be sites of economic *opportunity* were it not for their exorbitant housing costs. But, the exercise of developer power may operate quite differently in less economically advantaged places. Public officials in communities desperate for any form of development may cede considerably more power to developers. Moreover, not all community resident voices are treated equally. Jeremy Levine's (2017) research on housing development in Boston powerfully illuminates how community residents' voices can be marginalized in public meetings.

Nonetheless, the available evidence suggests that developers do not dominate public meetings about housing development and that their regulated political activities are in line with other local interest groups. Especially in smaller, suburban



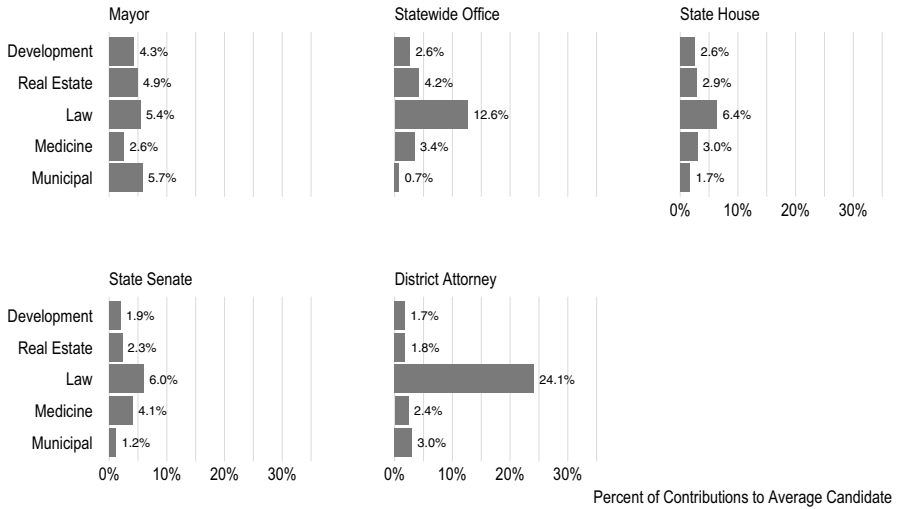


Fig. 4 Average campaign contributions by industry and elected office category

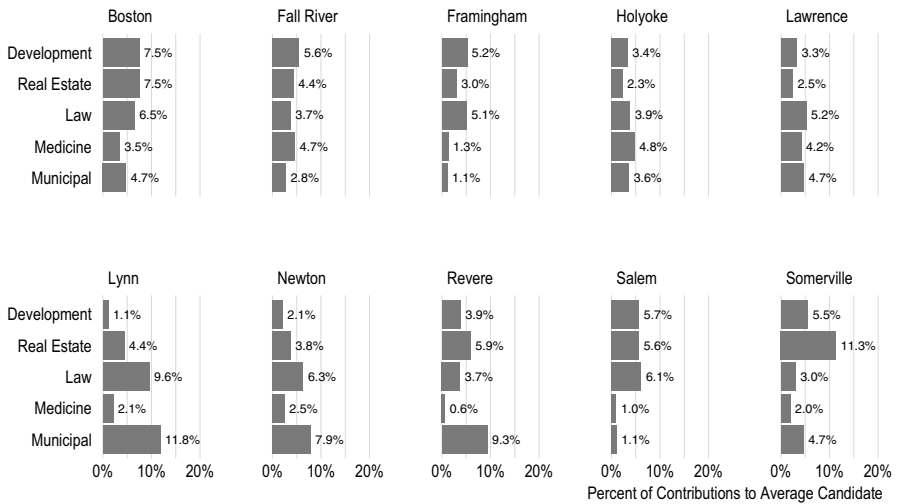


Fig. 5 Average campaign contributions by industry and elected office category by city

communities, there is little evidence of developer dominance. Yet, their unpopularity is wielded as a cudgel, stymieing housing developments and reform coalitions alike. Public distaste for private-sector housing developers, however warranted, presents a formidable obstacle to policymakers and reformers who hope to resolve America’s ever-mounting housing crisis.



Declarations

Conflict of interest On behalf of all authors, the corresponding author states that there is no conflict of interest.

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