

# Supplementary Appendix for “How Self-Interest and Symbolic Politics Shape the Effectiveness of Compensation For Nearby Housing Development”

## Contents

<b>A</b>	<b>Institutionalization of Community Negotiation for Public Benefits</b>	<b>A-2</b>
<b>B</b>	<b>Evaluating Public Support Using a “Willingness-to-Accept” Experiment</b>	<b>A-7</b>
B.1	Bid Selection . . . . .	A-8
<b>C</b>	<b>Descriptive Statistics</b>	<b>A-9</b>
<b>D</b>	<b>Results, Tabular Form</b>	<b>A-11</b>
D.1	Results by Homeownership Status . . . . .	A-14
<b>E</b>	<b>Alternative Modeling Approaches</b>	<b>A-18</b>
<b>F</b>	<b>Survey Instrument</b>	<b>A-22</b>
F.1	Individual proposals . . . . .	A-23
F.2	Demographics . . . . .	A-24
<b>G</b>	<b>Pre-Analysis Plan</b>	<b>A-28</b>
G.1	Individual Proposals . . . . .	A-28
<b>H</b>	<b>Exploratory Analyses</b>	<b>A-30</b>

# A Institutionalization of Community Negotiation for Public Benefits

Table A-1: Institutionalization of Public Benefits Negotiation in Discretionary Review Process, 25 Most Populous Cities

City	Structure	#	Description	Media Account	Source
New York, NY	Community Boards	59	Formal part of discretionary review pipeline.	“After ongoing negotiations with Community Board 2’s Land Use committee, Phipps adjusted the income bands for the units from their initial 110 to 90 percent of the Area Median Income (AMI).”	Acevedo, A. 2020. <i>QNS</i> . Dec 7.
Los Angeles, CA	Neighborhood Councils	99	Not part of discretionary review pipeline, but meeting is encouraged.	“Along with entitlement approvals, Clifford Beers Housing is seeking a letter of support for the project from UNNC, the latter’s agenda shows.”	Boerner, D. 2021. <i>What Now Los Angeles</i> . Jun 16.
Chicago, IL	NA	NA	Neighborhood groups express preferences through their alderman’s office.	NA	NA
Houston, TX	Super Neighborhoods	88	Not part of the discretionary review pipeline.	NA	NA
Phoenix, AZ	Village Planning Committees	15	Formal part of discretionary review pipeline. Non-coterminous groups.	“When the Brown Group came back to the table with the village planning committee, it offered four units – 2% – to go toward formerly incarcerated people and front-line workers like teachers, as well as a community garden space.”	Taros, M. 2021. <i>AZ Central</i> . Jun 10.

City	Structure	#	Description	Media Account	Source
Philadelphia, PA	Registered Community Organizations	200+	Formal part of discretionary review pipeline. No single group represents community though.	“In late 2012,...City Council formalized the long-standing practice of real estate developers and community groups negotiating by defining and regulating RCOs...the zoning code update requires that one RCO for the neighborhood coordinates one meeting where everybody is represented.”	Elliot, K. 2017. Office of Innovation and Technology. Jul 31.
San Antonio, TX	NA	NA	NA	NA	NA
San Diego, CA	Community Planning Groups	43	Formal part of discretionary review pipeline.	“Community planning groups, even though they’re advisory, play an important role in bringing the community together to have a conversation in terms of what a project should look like.”	Burks, M. 2015. <i>KPBS</i> . May 20.
Dallas, TX	NA	NA	NA	NA	NA
San Jose, CA	NA	NA	NA	NA	NA
Austin, TX	Neighborhood Plan Contact Teams	31	Formal part of discretionary review pipeline. Non-coterminous groups, generated from ground up.	“I think that the discussion has been fruitful, and as a result of the stakeholder feedback the Jay Paul Company increased by over \$900,000 the community benefits in the targeted areas that were in fact identified by the contact teams.”	Thompson, B. 2021. <i>Community Impact</i> . Jun 9.
Jacksonville, FL	Citizens Planning Advisory Committees	6	Not part of the discretionary review pipeline. Large aggregation level limits direct neighborhood influence.	NA	NA

City	Structure	#	Description	Media Account	Source
Fort Worth, TX	NA	NA	NA	NA	NA
Columbus, OH	Area Com-missions	21	Formal part of discretionary review pipeline.	“Many residents have opposed the plans for two years, saying the project’s scale is too big for the neighborhood. The developer had gone back and forth with the Schumacher Place Civic Association and Columbus South Side Area Commission, and residents last year held ‘whale walks’ in protest of the development’s size.”	Ferenchik, M. 2022. <i>The Columbus Dispatch</i> . Feb 9.
Indianapolis, IN	NA	NA	NA	NA	NA
Charlotte, NC	NA	NA	NA	NA	NA
San Francisco, CA	Array of groups	NA	Pre-existing groups supplanted the need to create a new institution. These groups have the ability to request discretionary review of any project, making even their informal influence powerful.	“It’s unclear how much of the project’s affordability played into the discontent of neighborhood anti-gentrification activists — primarily, a coalition of Mission-based groups called United to Save the Mission. But Moshayedi asserted in an interview that, during negotiations, the coalition asked for major concessions such as “land” and “a lot of cash.” He would not say how much money the coalition asked for. He said, too, the groups did not specify where the money would go but that it would be on a “payment basis.”	Mark, J. 2019. <i>Mission Local</i> . July 26.
Seattle, WA	Design Review Boards	8	Formal part of discretionary review pipeline. Focused on design review, not maximizing community input writ large.	NA	NA

City	Structure	#	Description	Media Account	Source
Denver, CA	NA	NA	NA	NA	NA
Washington, DC	Advisory Neighborhood Commissions	37	Formal part of discretionary review pipeline.	“D.C. lawmakers are looking to arm the city’s advisory neighborhood commissions with more resources and expertise as they negotiate with developers, hoping to empower the volunteer commissioners as they engage in highly technical debates over zoning and development.”	Koma, A. 2020. <i>Washington Business Journal</i> . Dec 2.
Nashville, TN	NA	NA	NA	NA	NA
Oklahoma City, OK	NA	NA	NA	NA	NA
El Paso, TX	NA	NA	NA	NA	NA
Boston, MA	Impact Advisory Group	NA	Formal part of discretionary review pipeline. Formed ad hoc per development proposal	“The mitigation package...included a new pot of money that was championed by State Rep. Dan Ryan and other officials. That was perhaps the largest change in mitigation measures, which is what the IAG is tasked with negotiating. That new pot of money would be a \$500,000 grant from the developer to the Boston Housing Authority to fix buildings and improve open spaces in areas of the development slated for reconstruction much later in the process.”	Daniel, S. 2020. <i>Charlestown Patriot-Bridge</i> . Dec 16.
Portland, OR	NA	NA	NA	NA	NA

## B Evaluating Public Support Using a “Willingness-to-Accept” Experiment

There are challenges to capturing the effects of compensation on public support through a survey experiment. To begin, traditional surveys often lack real-world stakes that would enable financial payments to be realistically powerful. Such surveys can introduce a hypothetical bias when the exercise lacks consequences to the respondent. However, some have suggested that a hypothetical bias can be avoided if the results of the survey have a non-zero probability of being used in the real-world decision-making process (Carson and Czajkowski, 2014). We work to counter this hypothetical bias by stating in recruitment and during the survey that a final report of findings will be shared with the City of Boston.

More broadly, experiments with financial tradeoffs are most accurate when the respondent is familiar with the good being valued. Given that housing is an individual’s largest regular expense and that residents often connect new development to their personal housing costs (Fischel, 2001), and that residents in growing cities like Boston regularly observe new housing development, we expect that the respondents in our survey are both familiar and comfortable with evaluating the tradeoffs around new housing proposals. This familiarity avoids many of the logical problems identified in intangible, unfamiliar goods, such as respondents valuing the lives of 10 whales the same as 100 whales (Diamond and Hausman, 1994).

There are also debates over whether WTA or its counterpart — “Willingness to Pay” (WTP) — is a better method for measuring stated preferences. In a WTA experiment, the goal is to elicit how much a respondent would need to be compensated to agree to a policy. In contrast, a WTP experiment measures how much a respondent would pay to either implement or block a new policy. WTA is more appropriate for this study due to its loss-based reference point and realism as a policy instrument (Knetsch, 2005; Kim, Kling, and Zhao, 2015). Because most people view new housing as having negative externalities, WTA better captures the reference point of a loss which requires compensation (Viscusi and Huber, 2012; Johnston et al., 2017). This is in contrast to valuing a public good which does not exist, but for which the respondent is willing to pay, e.g., constructing a new park.

Second, the framework of WTA is far more realistic as a policy instrument. As noted, WTA already exists as a compensation measure in the form of CBAs between developers and their proposal’s surrounding community. In contrast, we have yet to observe a citizen paying a developer to not build nearby (i.e., WTP). Indeed, the proposition that respondents should have to pay to avoid development would seem so ludicrous and repugnant that it risks “system rejection” of the survey by respondents, leading to either protest responses or satisficing. The tools of delay and veto are already in the hands of the current residents (Einstein, Palmer, and Glick, 2019). Thus, a WTA experiment enhances the findings’ externality validity by better reflecting both the psychology of the housing’s externalities and the existing policy processes.

Regarding format, the recent stated preferences literature uniformly supports using a referenda-style bid, particularly around items that are public goods. As a referendum, the bid offers respondents a payment should the proposed policy pass, then asks respondents about their support in a yes/no form. Unlike open-ended statements or payment cards, this referenda-style bid prevents respondents from intentionally misstating their values to

influence the outcomes of the study (Boyle, 2017).

Less clear is the form of the referenda choice experiment. Single-bounded experiments offer one compensation amount, whereas double-bounded experiments offer a follow-up; a higher value if the respondent declined the first offer, a lower if they accepted. Carson and Groves (2007) find the double-bounded choice experiment to bias estimates downwards and to be largely undesirable except for increasing statistical power. However, even this power benefit has been questioned for survey samples of more than a few hundred respondents (Calia and Strazzera, 1999). Consequently, this survey utilizes a single-bounded WTA choice experiment.

## **B.1 Bid Selection**

A March 2021 pilot study ( $n = 250$ ) from Amazon’s Mechanical Turk platform showed respondents a hypothetical development proposal for their own community. The proposal was generic, not actually pulled from a respondent’s neighborhood like in this study. Asking an open-ended response and removing seemingly extreme values (greater than \$100,000), the median minimum compensation level required to support the proposal was \$1,000. Best practice suggests spreading compensation values between the 20th and 80th percentiles to identify the median valuation. Consequently, we selected 7 bid amounts roughly following the distribution of minimally accepted values from 20th through 80th percentiles of the pilot data: \$50, \$200, \$500, \$1,000, \$1,500, \$2,000, and \$5,000. Of course, this distribution may have been biased downward given the lower income levels of Mechanical Turk respondents. Results from Wave 1 showed that most respondents still were not accepting the proposed housing even when offered \$5,000. To better estimate the causal effect of compensation, we increased the bid values for Waves 2 and 3 to \$250, \$750, \$1,500, \$3,000, \$5,000, \$7,500, and \$10,000. The three waves are combined in the analysis.



## C Descriptive Statistics

Table C-2: Sample Descriptive Statistics, All Respondents

Statistic	Mean	St. Dev.	Median	Min	Max	N
Female	0.64	0.48	1	0	1	580
White	0.61	0.49	1	0	1	589
Black	0.18	0.39	0	0	1	589
Latino	0.07	0.26	0	0	1	589
Asian	0.04	0.19	0	0	1	589
Age	42.91	15.01	40	17	80	589
College educated	0.74	0.44	1	0	1	589
Income >90k	0.43	0.50	0	0	1	515
Homeowner	0.59	0.49	1	0	1	564
Democrat	0.75	0.43	1	0	1	589
Liberal	0.78	0.41	1	0	1	589
Attended meeting	0.43	0.50	0	0	1	589

Table C-3: Sample Descriptive Statistics, Wave 1

Statistic	Mean	St. Dev.	Median	Min	Max	N
Female	0.70	0.46	1	0	1	251
White	0.49	0.50	0	0	1	255
Black	0.29	0.45	0	0	1	255
Latino	0.10	0.30	0	0	1	255
Asian	0.04	0.20	0	0	1	255
Age	44.15	14.43	40	23	80	255
College educated	0.73	0.45	1	0	1	255
Income >90k	0.43	0.50	0	0	1	222
Homeowner	0.54	0.50	1	0	1	246
Democrat	0.79	0.41	1	0	1	255
Liberal	0.79	0.41	1	0	1	255
Attended meeting	0.35	0.48	0	0	1	255

Table C-4: Sample Descriptive Statistics, Wave 2

Statistic	Mean	St. Dev.	Median	Min	Max	N
Female	0.54	0.50	1	0	1	176
White	0.76	0.43	1	0	1	179
Black	0.06	0.23	0	0	1	179
Latino	0.04	0.21	0	0	1	179
Asian	0.01	0.07	0	0	1	179
Age	48.40	13.33	46	23	78	179
College educated	0.89	0.32	1	0	1	179
Income >90k	0.64	0.48	1	0	1	154
Homeowner	0.88	0.32	1	0	1	177
Democrat	0.75	0.44	1	0	1	179
Liberal	0.84	0.37	1	0	1	179
Attended meeting	0.76	0.43	1	0	1	179

Table C-5: Sample Descriptive Statistics, Wave 3

Statistic	Mean	St. Dev.	Median	Min	Max	N
Female	0.65	0.48	1	0	1	153
White	0.62	0.49	1	0	1	154
Black	0.16	0.36	0	0	1	154
Latino	0.06	0.25	0	0	1	154
Asian	0.06	0.25	0	0	1	154
Age	34.63	14.24	30	17	75	154
College educated	0.58	0.50	1	0	1	154
Income >90k	0.22	0.41	0	0	1	138
Homeowner	0.33	0.47	0	0	1	141
Democrat	0.71	0.46	1	0	1	154
Liberal	0.72	0.45	1	0	1	154
Attended meeting	0.19	0.39	0	0	1	154

## D Results, Tabular Form

Table D-6 displays the results of Figure ?? in tabular form. Because of a technical error, the affordability condition of proposals was not recorded for the first 78 respondents, so the sample size decreases when adding the covariate of affordability. Further decreases occur with demographics due to respondent roll-off. Model 1 (left) includes only the randomized aspects of the proposals. Model 2 (center) includes respondent demographics. Model 3 (right) includes an interaction between homeownership status and the inclusion of affordable housing units to assess differential effect between homeowners and renters.

Table D-7 displays the results of Figure ?? in tabular form.

Table D-6: Predictors of Support for Housing Proposals without Compensation

	No covariates	With covariates	Interact affordability x homeownership
	(1)	(2)	(3)
Distance (km)	0.053 (0.035)	0.078* (0.039)	0.077* (0.039)
Affordable	0.069*** (0.017)	0.086*** (0.021)	0.113*** (0.034)
Homeowner		-0.012 (0.041)	0.009 (0.044)
Income		-0.005 (0.006)	-0.005 (0.006)
White, non-Hispanic		-0.065 (0.054)	-0.065 (0.055)
Black, non-Hispanic		-0.218*** (0.065)	-0.218*** (0.065)
Hispanic		-0.095 (0.075)	-0.093 (0.076)
College		-0.062 (0.047)	-0.061 (0.047)
Liberal		0.018 (0.040)	0.017 (0.040)
Female		-0.150*** (0.034)	-0.150*** (0.034)
Age		-0.010 (0.007)	-0.010 (0.007)
Age squared		0.00002 (0.0001)	0.00002 (0.0001)
Affordable*Homeowner			-0.043 (0.042)
Constant	0.359*** (0.025)	0.976*** (0.152)	0.964*** (0.154)
Observations	2,583	1,713	1,713
R <sup>2</sup>	0.009	0.143	0.144

*Note:*

\*p&lt;0.05; \*\*p&lt;0.01; \*\*\*p&lt;0.001

Table D-7: Predictors of Support for Housing Proposals with Compensation

	No covariates	With covariates	Interact price x affordability	Interact price x form of comp.
	(1)	(2)	(3)	(4)
Compensation, logged	0.038*** (0.008)	0.033*** (0.009)	0.054*** (0.011)	0.038** (0.014)
Distance (km)	0.036 (0.042)	0.065 (0.047)	0.068 (0.047)	0.065 (0.047)
Public benefits	0.042 (0.034)	0.032 (0.036)	0.032 (0.036)	0.106 (0.136)
Affordable	0.085*** (0.021)	0.091*** (0.025)	0.404** (0.124)	0.091*** (0.025)
Homeowner		-0.027 (0.046)	-0.027 (0.046)	-0.027 (0.046)
Income		-0.009 (0.007)	-0.009 (0.007)	-0.009 (0.007)
White, non-Hispanic		0.051 (0.061)	0.047 (0.061)	0.052 (0.061)
Black, non-Hispanic		-0.100 (0.075)	-0.106 (0.075)	-0.100 (0.075)
Hispanic		0.059 (0.084)	0.057 (0.085)	0.060 (0.084)
College		-0.070 (0.054)	-0.069 (0.053)	-0.071 (0.054)
Democrat		0.039 (0.049)	0.037 (0.049)	0.039 (0.049)
Female		-0.145*** (0.038)	-0.145*** (0.038)	-0.144*** (0.038)
Age		-0.019** (0.007)	-0.020** (0.007)	-0.019** (0.007)
Age squared		0.0001 (0.0001)	0.0001 (0.0001)	0.0001 (0.0001)
Compensation*Affordable			-0.043** (0.016)	
Compensation*Public				-0.010 (0.018)
Constant	0.115 (0.068)	0.982*** (0.185)	0.834*** (0.188)	0.944*** (0.206)
Observations	2,583	1,713	1,713	1,713
R <sup>2</sup>	0.021	0.167	0.171	0.168

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

## D.1 Results by Homeownership Status

To better understand the mechanism, we plot the effect of compensation separately for market-rate and affordable proposals, separately among renters (Figure D-1) and homeowners (Figure D-2). The LOESS lines on each plot demonstrate the relationship between compensation and proposal support.

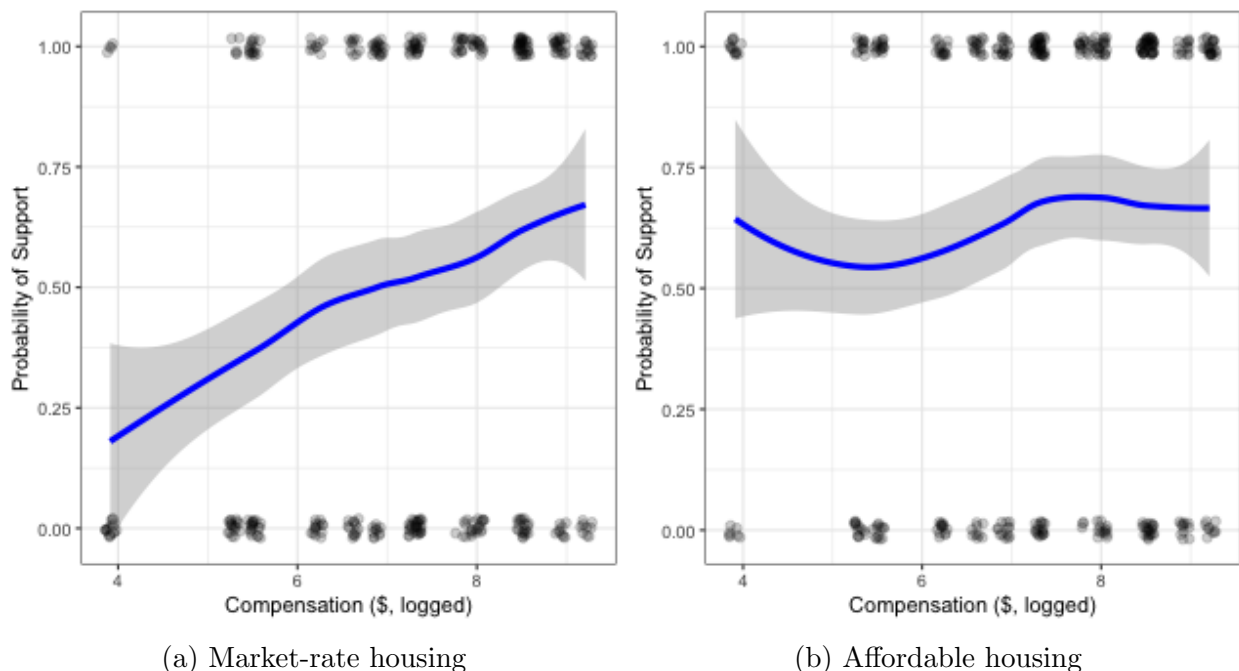


Figure D-1: Compensation effects, renters.

Among renters, compensation increased support for market-rate housing. In contrast, renters supported *affordable* housing at a uniformly higher level, regardless of compensation level. This interaction between affordability and compensation is reflected parametrically in Table D-8, Models 1 and 2. A 100 percent increase in compensation increased support for market-rate proposals by 5.9 percentage points ( $p < .001$ ), whereas the effect was null for proposals with affordable housing as evidenced by the large, statistically significant negative interaction term. These results — coupled with the positive and significant coefficient on the inclusion of affordable housing — suggest that renter support for affordable housing is higher than market-rate housing but insensitive to compensation. In contrast, support for market-rate housing was lower than affordable housing, but could be increased via financial compensation.

Similarly, among homeowners, compensation had a small effect on support for market rate housing, but it had little to no effect on affordable housing. This lack of an effect is reinforced by Table D-8, Models 3 and 4. A 100 percent increase in financial compensation increased support for market rate housing by 2.5 percentage points ( $p < .01$ ). However, the interaction between compensation and affordability was negative and substantively large enough to negate any treatment effect from compensation. The effects of compensation for any type of housing are small in comparison to those observed among renters.

Table D-8: Predictors of Support for Housing Proposals with Compensation, by Homeownership

	Renters: No covariates	Renters: With covariates	Homeowners: No covariates	Homeowners: With covariates
	(1)	(2)	(3)	(4)
Compensation, logged	0.091*** (0.018)	0.085*** (0.018)	0.028 (0.014)	0.036** (0.014)
Affordable	0.581** (0.193)	0.554** (0.194)	0.178 (0.163)	0.301 (0.159)
Public benefits	0.089 (0.059)	0.137* (0.058)	0.008 (0.050)	-0.020 (0.046)
Distance (km)		0.127 (0.075)		0.028 (0.059)
Income		-0.010 (0.012)		-0.008 (0.009)
White, non-Hispanic		0.087 (0.086)		0.024 (0.080)
Black, non-Hispanic		0.006 (0.105)		-0.185 (0.099)
Hispanic		0.139 (0.145)		0.014 (0.113)
College		-0.056 (0.087)		-0.032 (0.083)
Liberal		-0.011 (0.084)		0.036 (0.061)
Female		-0.229*** (0.066)		-0.106* (0.046)
Age		-0.024 (0.014)		-0.031** (0.010)
Age squared		0.0002 (0.0002)		0.0002 (0.0001)
Compensation*Affordable	-0.063* (0.026)	-0.057* (0.026)	-0.014 (0.021)	-0.032 (0.021)
Constant	-0.195 (0.138)	0.565 (0.296)	0.144 (0.110)	1.258*** (0.271)
Observations	747	665	1,198	1,048
R <sup>2</sup>	0.059	0.159	0.010	0.177

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

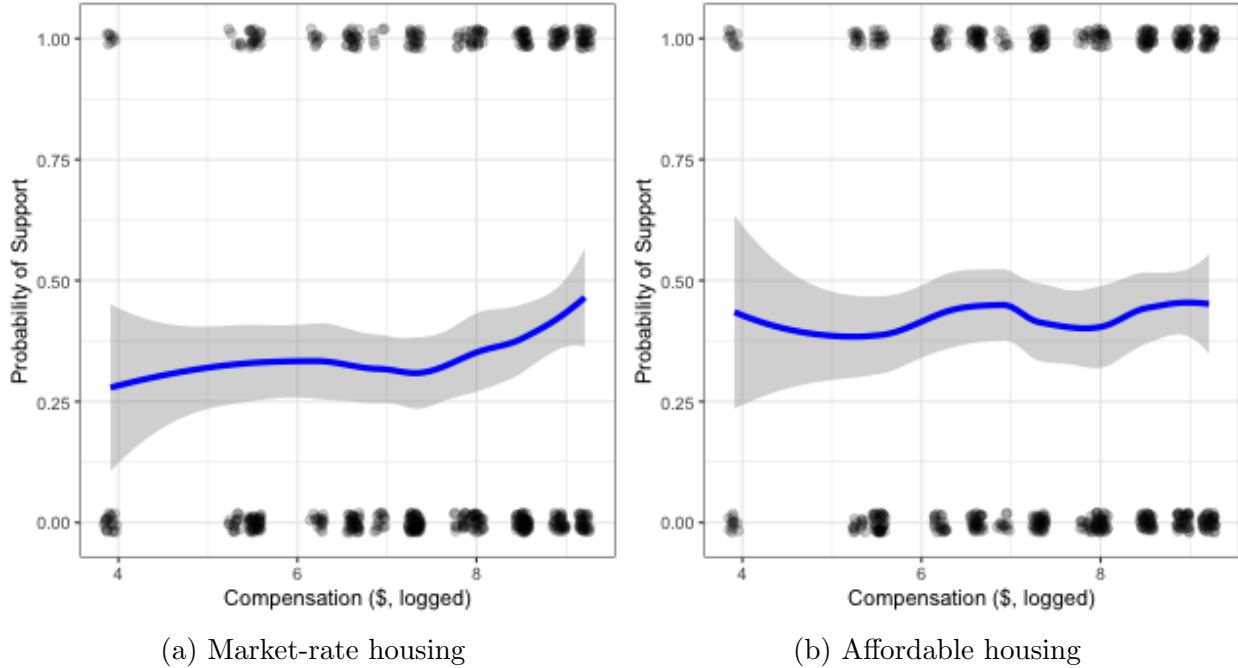


Figure D-2: Compensation effects, homeowners.

Finally, we assess whether the generally weak effects of compensation that we find among homeowners could be due to an income effect, in which homeowners are wealthier and therefore less likely be persuaded by the same amount of money as renters, and because homeowner concerns are tied to their home value, and the levels of compensation offered in our experiment pale in comparison to the value of their homes. To examine this potential mechanism for our overall results, Table D-9 tests whether the effects of compensation among either renters or homeowners are driven by their income. We subset to only market-rate housing proposals for these analyses, as this was the only type of housing proposal which showed any compensation effects in our previous analyses, and interact compensation with respondents' income. We find no evidence that respondent income moderates the effect of compensation.



Table D-9: Predictors of Support for Market-Rate Housing Proposals with Compensation, by Respondent Income

	Renters: No covariates	Renters: With covariates	Homeowners: No covariates	Homeowners: With covariates
	(1)	(2)	(3)	(4)
Compensation, logged	0.113** (0.041)	0.082 (0.042)	0.069 (0.053)	0.062 (0.047)
Income	0.015 (0.049)	-0.004 (0.050)	0.047 (0.050)	0.021 (0.044)
Public benefits	0.137 (0.070)	0.143* (0.068)	-0.035 (0.059)	-0.039 (0.050)
Distance (km)		0.115 (0.103)		-0.013 (0.084)
White, non-Hispanic		0.014 (0.105)		-0.053 (0.072)
Black, non-Hispanic		-0.213 (0.119)		-0.117 (0.102)
Hispanic		-0.014 (0.160)		-0.116 (0.129)
College		-0.059 (0.103)		0.007 (0.088)
Liberal		-0.054 (0.107)		-0.022 (0.068)
Female		-0.211** (0.074)		-0.146** (0.053)
Age		-0.011 (0.016)		-0.028* (0.011)
Age squared		0.00004 (0.0002)		0.0001 (0.0001)
Compensation*Income	-0.002 (0.007)	0.001 (0.007)	-0.004 (0.006)	-0.003 (0.006)
Constant	-0.367 (0.306)	0.396 (0.405)	-0.227 (0.410)	1.078* (0.500)
Observations	323	317	521	518
R <sup>2</sup>	0.099	0.188	0.022	0.176

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

## E Alternative Modeling Approaches

Our pre-analysis plan stated that we would use multinomial and mixed logit models (Helveston, 2020). Revisiting the literature, this approach is ill-suited for our data structure (e.g. Alvarez and Nagler, 1998; McFadden and Train, 2000). Both choice-based logit models are designed for outcome variables that represent choices between multiple options. In our experiment, this could have been accomplished if respondents had chosen between, for instance, two different development proposals with their characteristics randomized, similar to a conjoint design.

In contrast, our respondents evaluated and expressed their support for a single proposal at a time rather than choosing between alternatives. To adopt our data structure for a choice-based logit model would require us to generate an alternative choice from the status quo. For example, voting against the building proposal would be coded as the equivalent of voting for a building similar to the status quo: a market-rate development which would provide \$0 of compensation to the respondent. This hypothetical, synthetic choice is theoretically difficult to justify. In retrospect, our design is instead suited for an OLS approach. Using OLS, we test the same hypotheses and use the controls as specified in our pre-analysis plan, with the benefit of requiring fewer assumptions (Gomila, 2021).

Still, in the interest of full transparency, we reproduce our results using logit models. Specifically, we use multinomial logits. The mixed logit model listed in the pre-analysis plan is designed to test for heterogeneity in preferences across respondents. Within our results, this approach exhausts statistical power to point of being uninformative, whereas the multinomial logit still captures differences in choice-based decisionmaking. Additionally, because logit choice probabilities are unintuitive, we convert the coefficients into predicted probabilities of support for proposals at various levels of compensation. By plotting the expected support probability across the range of compensation offered, we show variation in the effectiveness of compensation based on traits of the respondent and building proposal.

Following the preanalysis plan, Figure E-3 shows how the effect of compensation varies based on the proximity of the development proposal to the respondent. The figure bundles proximity based on developments “near” the respondent (less than the median distance, 540 meters away) and “far” from the respondent (greater than 540 meters away). We find no evidence that the effectiveness of price varies by proximity. Instead, we see a uniform increase in the expected probability of support for new development as the compensation offered to respondents increases from \$50 to \$10,000.

Figure E-4 shows how the effect of compensation varies based on the affordability of the proposed housing. As we show in Figure ??, the effect of compensation is exclusively found in response to proposals for new market-rate housing. In contrast, proposals which include affordable housing do not experience an increase in expected support as compensation increases. Additionally, supporting our findings in Figure ??, the average level of support is higher for affordable housing compared to market-rate housing.

Figure E-5 shows how the effect of compensation varies based on the tenancy status of the respondent. While renters are consistently more supportive of new housing compared to homeowners, the effect of compensation — expressed here as the slope of each line — is positive for both homeowners and renters. However, as shown in the OLS results in Table D-8, renters are more responsive to compensation compared to homeowners.

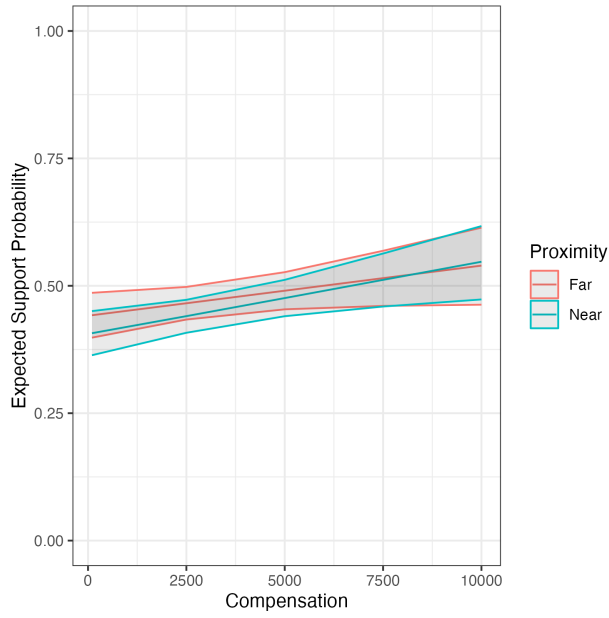


Figure E-3: Effect of compensation by proximity.

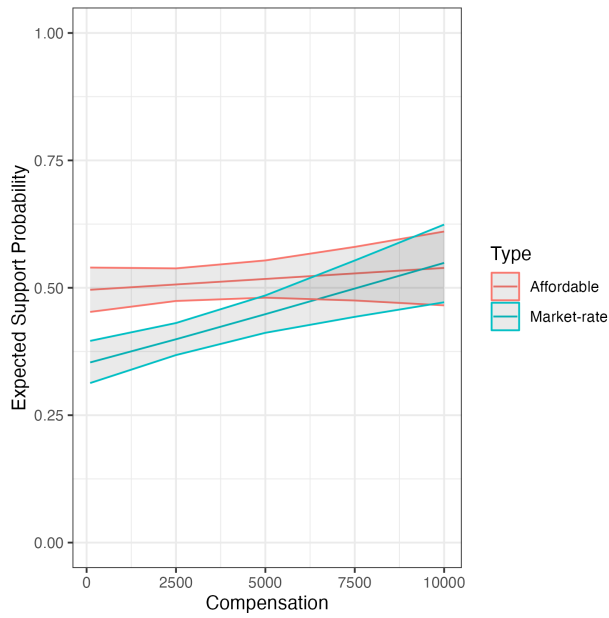


Figure E-4: Effect of compensation by housing affordability.

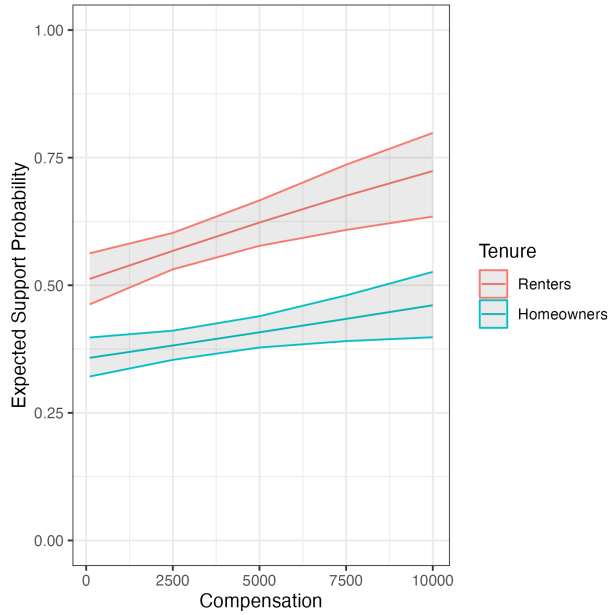


Figure E-5: Effect of compensation by tenure.

Figure E-6 shows how the effect of compensation varies by the affordability of the proposed housing, but looking exclusively among renters. Much of the gentrification literature argues that renters are generally more averse towards market-rate housing compared to affordable housing (Hankinson, 2018; Marble and Nall, 2021). Consequently, we expected renters to require more compensation in exchange for supporting market-rate housing compared to affordable housing. We find that, similar to the full sample results in Figure E-4, increased compensation generally only increases support for market-rate housing. Likewise, average support for affordable housing is higher compared to market-rate housing. In general, this supports our hypothesis that renters require more compensation for a market-rate housing proposal to reach similar expected probabilities of support as an affordable housing development.

Figure E-7 shows how the effect of compensation varies based on the form of the compensation offered to respondents. “Private” compensation was offered a direct payment to the respondent, whereas “public” compensation was offered to the community as an equivalent investment in nearby parks and streets. Matching our OLS results in Table D-8, the form of compensation does not affect respondent support for the development proposal. And although it appears that additional compensation may only be effective for private, direct payments, this interaction is not statistically significant in our OLS models (Table D-8).

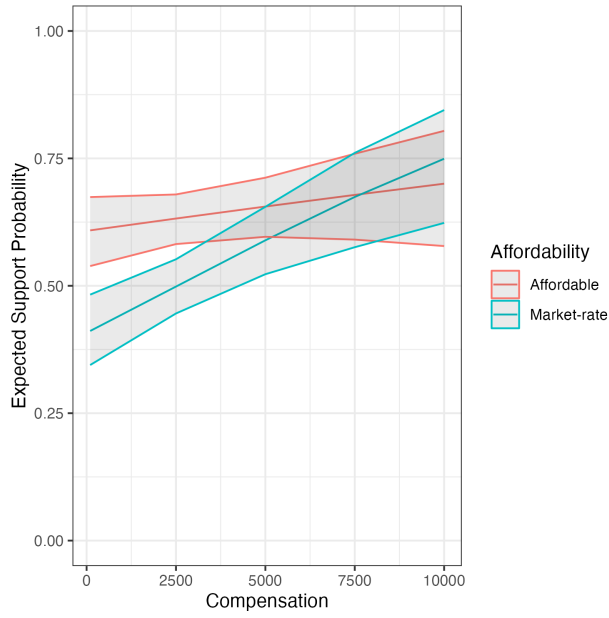


Figure E-6: Effect of compensation by housing affordability among renters.

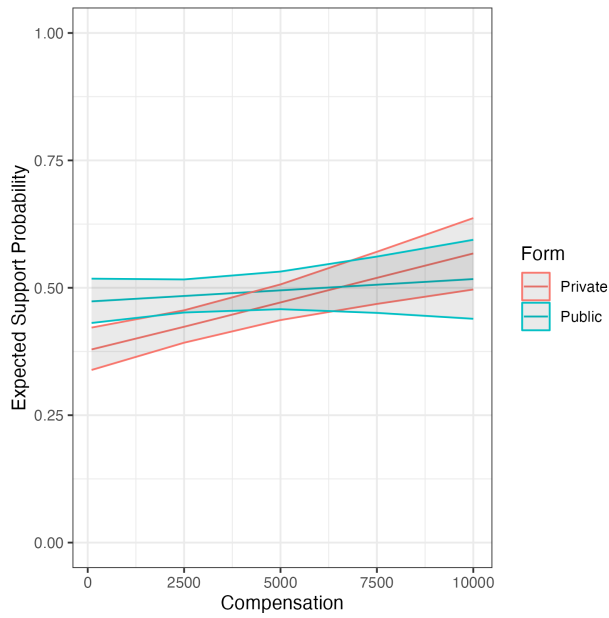


Figure E-7: Effect of compensation by form of compensation.

## F Survey Instrument

Users will follow a link to the interface where they will begin the survey. Following a consent form, respondents will see a screener and two attention checks.

1. “For our research, careful attention to survey questions is critical! We thank you for your care.”
  - I understand
  - I do not understand
2. “People are very busy these days and many do not have time to follow what goes on in the government. We are testing whether people read questions. To show that you’ve read this much, answer both ‘extremely interested’ and ‘very interested.’”
  - Extremely interested
  - Very interested
  - Moderately interested
  - Slightly interested
  - Not at all interested
3. “To start, which city/town do you live in?”
  - Boston
  - Brookline
  - Cambridge
  - Chelsea
  - Everett
  - Somerville
  - Winthrop
  - Other
4. User identifies their home
  - “First, we need to know where you live in Boston. Please enter your address. Your address will not be shared with anyone. If you would not like to share your address, please enter your ZIP code.”
  - If street address entered, User is shown their neighborhood (3/4 mile radius of address) with a pin dropped on their address. If ZIP code entered, User is shown their ZIP code and asked to indicate their home or the nearest intersection.

## F.1 Individual proposals

“Next, you will be asked to share your opinion about hypothetical housing development proposals in your neighborhood. These proposals are not real.

However, the findings of this study will be presented to the City of Boston to help them learn about what residents like you think about housing. To capture the most accurate data, we ask you to thoughtfully consider these proposals as if they were real.”

Each proposal features:

- Current building
  - Address of property
  - Google Street View image of property currently
  - Current number of floors and units
- Proposed building
  - Number of floors (2x current building) and units (3x current building)
  - Rendering of the mass of the new building
  - Randomization of 50% affordable housing or 100% market-rate housing
- “Do you support or oppose replacing the current building with the proposed building?”
  - Strongly oppose
  - Oppose a little
  - Neither support nor oppose
  - Support a little
  - Strongly support
- For proposal 1 out of 5: “Using at least 5 words, why do you support or oppose this proposal?” Answer via text-box.
- Willingness-to-Accept Experiment - User will be randomly assigned to either the *direct payment* condition or the *public goods* condition. Whatever the User is assigned for the first proposal they will maintain for all 5 proposals to eliminate confusion. Compensation values will randomly vary from the following set: \$50, \$200, \$500, \$1000, \$1500, \$2000, \$5000.
  - Direct payment text: “Suppose your neighborhood could vote on whether this proposal should be built. If the proposal passes, the developer would contribute money to the neighborhood around the property. The money would be distributed as a one-time cash payment such that each person, including you, would receive \$XXX. How would you vote on this proposal?”

- Public goods text: “Suppose your neighborhood could vote on whether this proposal should be built. If the proposal passes, the developer would contribute money to the neighborhood around the property. The money would be spent on park and street improvements worth about \$XXX per neighborhood resident. How would you vote on this proposal?”
  - \* “Yes, I would vote in favor of the proposal”
  - \* “No, I would vote against the proposal”
- For proposal 1 out of 5: “Using at least 5 words, how did the financial compensation affect your support for the proposal?” Answer via text-box.

## F.2 Demographics

“Now I am going to ask a few questions about you.”

1. “In the past 12 months, have you attended a Boston political meeting (such as school board or city council) or a community forum?”
  - Yes
  - No
2. “How long have you lived in Boston, in years?”
  - Less than a year
  - 1-3 years
  - 4-8 years
  - 8 years or longer
3. “How long have you lived at your current address, in years?”
  - Less than a year
  - 1-3 years
  - 4-8 years
  - 8 years or longer
4. “Do you or someone you live with own the place in Boston where you are living now, or do you rent?”
  - Own
  - Rent
  - Other
5. “Thinking back over the last year, what was your household’s annual income?”
  - None or less than \$19,999



- \$20,000 to \$39,999
- \$40,000 to \$49,999
- \$50,000 to \$59,999
- \$60,000 to \$69,999
- \$70,000 to \$89,999
- \$90,000 to \$119,999
- \$120,000 to \$149,999
- \$150,000 to \$199,999
- \$200,000 to \$249,999
- \$250,000 to \$349,999
- \$350,000 to \$499,999
- \$500,000 or more
- Don't know
- Prefer not to say

6. "What is the highest level of education you have completed?"

- Did not graduate from high school
- High school graduate
- Some college, but no degree
- 2-year college degree
- 4-year college degree
- Postgraduate degree (MA, MBA, MD, JD, PhD, etc.)

7. "What is your gender?"

- Male
- Female
- Other

8. "What year were you born?" - dropdown list

9. "What racial or ethnic group(s) best describe you? Select all that apply."

- White
- Black or African-American
- Hispanic or Latino
- Asian or Asian-American
- Native American

- Middle Eastern
  - Other
10. “In general, do you think of yourself as...”
- Liberal
  - Conservative
  - Moderate
  - Haven’t thought about it much
11. IF ‘Liberal’: “Would you call yourself a strong liberal or not a very strong liberal?”
- Strong liberal
  - Not very strong liberal
12. IF ‘Conservative’: “Would you call yourself a strong liberal or not a very strong conservative?”
- Strong conservative
  - Not very strong conservative
13. IF ‘Moderate’ or ‘Haven’t thought about it much’: “Do you think of yourself as closer to liberals or conservatives?”
- Closer to liberals
  - Closer to conservative
  - Neither
14. “In general, do you think of yourself as...”
- Democrat
  - Republican
  - Independent
  - Other party
15. IF ‘Democrat’: “Would you call yourself a strong Democrat or not a very strong Democrat?”
- Strong
  - Not very strong
16. IF ‘Republican’: “Would you call yourself a strong Republican or not a very strong Republican?”
- Strong

- Not very strong
17. IF 'Independent' or 'Other party': "Do you think of yourself as closer to the Republican Party or to the Democratic Party?"
- Closer to the Democratic Party
  - Closer to the Republican Party
  - Neither
18. "What else should we know about your opinion on housing prices and new development in your neighborhood and in Boston?" Answer via text-box.
19. "Do you have any other comments for us about this topic and the survey?" Answer via text-box.

## G Pre-Analysis Plan

Included below are the hypotheses we test as well as our analytical strategy for testing each hypothesis as pre-registered with EGAP prior to data collection. Elements of the pre-analysis plan (the study’s theory, experimental design, and survey instrument) that are discussed or included elsewhere in the manuscript are not reproduced below but are included in the PAP filed with EGAP.

### G.1 Individual Proposals

This experimental module combines a location-based measure of NIMBYism with a Willingness-to-Accept (WTA) experiment. The WTA experiment estimates the median monetary value at which respondents are indifferent to a nearby increase in residential density. Respondents are offered an amount of compensation in exchange for supporting a new housing development proposal. By randomly varying the amount of compensation offered, we are able to capture the causal effect of different compensation levels on respondent support.

Using a respondent’s location, the survey randomly selects 5 housing proposals that are within 1/2 mile of the respondent’s home. For each proposal, respondents are shown images of the existing development and the proposed development. Each development shows the number of units as well as the share of units set aside for low-income housing voucher holders. Respondents are asked: “Do you support or oppose replacing the current building with the proposed building?” Support is captured using a 5-point Likert scale from “Strongly oppose” to “Strongly support.”

Next respondents are offered an amount of compensation in the form of either a personal payment or a public goods investment, randomized at the individual-level but held constant across each proposal the respondent views. Respondents select either a “Yes” or “No” response in favor of the proposed development combined with the compensation. Respondents repeat this exercise for each of the 5 proposals.

#### G.1.1 Hypotheses

Our exploratory hypotheses are:

**Hypothesis 1 (H1):** *Compensation will be positive correlated with proximity.*

**Hypothesis 2 (H2):** *Compensation will be higher for developments with 50% affordable housing compared to those solely composed of market-rate units.*

**Hypothesis 3 (H3):** *Homeowners will require more compensation than renters.*

**Hypothesis 4 (H4):** *Renters require more compensation when the housing is all market-rate rather than 50% affordable.*

**Hypothesis 5 (H5):** *Compensation will be higher for public goods investments than for direct payments.*

### G.1.2 Measures and Index Construction

The outcome variable (“Choice”) is 1 if the respondent votes in favor of the proposal when coupled with the compensation and 0 otherwise.

### G.1.3 Estimation Procedure

We estimate multinomial and mixed logit models on choice data using a random utility model specified in the willingness-to-pay (WTP) space via the `logitr` package (Helveston, 2020). Compensation is a fixed parameter, whereas the experimental parameters (distance from the respondent’s location, affordability share, and form of compensation) will be modeled as normally distributed across the population. The model will include controls listed earlier. From this model, we also simulate shares of support for housing over a wide array price points.

The following approaches will be used to test each hypothesis:

H1: Regress choice on compensation, proximity, affordability, and form of compensation using a mixed logit model including controls.

H2: Regress choice on compensation, proximity, affordability, and form of compensation using a mixed logit model including controls.

H3: Regress choice on compensation, proximity, affordability, and form of compensation using a mixed logit model including controls.

H4: Regress choice on compensation, proximity, affordability, and form of compensation using a multinomial logit model including controls, interacting affordability with homeownership status.

H5: Regress choice on compensation, proximity, affordability, and form of compensation using a mixed logit model including controls.

## H Exploratory Analyses

Table H-10: Predictors of Support for Housing Proposals without Compensation, Interacted with Ideology and Partisanship

	(1)	(2)	(3)	(4)
Distance (km)	0.077* (0.039)	0.077* (0.039)	0.073 (0.038)	0.073 (0.039)
Affordable	0.101* (0.040)	0.092*** (0.023)	0.047 (0.037)	0.078** (0.028)
Liberal	0.027 (0.045)			
Ideology		-0.013 (0.023)		
Democrat			0.065 (0.040)	
Party ID				-0.035 (0.027)
Homeowner	-0.012 (0.041)	-0.012 (0.041)	-0.011 (0.040)	-0.014 (0.040)
Income	-0.005 (0.006)	-0.005 (0.006)	-0.006 (0.006)	-0.005 (0.006)
White, non-Hispanic	-0.065 (0.055)	-0.065 (0.055)	-0.084 (0.054)	-0.072 (0.054)
Black, non-Hispanic	-0.218*** (0.065)	-0.218*** (0.065)	-0.234*** (0.065)	-0.222*** (0.065)
Hispanic	-0.095 (0.076)	-0.095 (0.076)	-0.094 (0.072)	-0.093 (0.074)
College	-0.062 (0.047)	-0.062 (0.047)	-0.072 (0.046)	-0.065 (0.046)
Female	-0.150*** (0.034)	-0.150*** (0.034)	-0.154*** (0.034)	-0.153*** (0.034)
Age	-0.010 (0.007)	-0.010 (0.007)	-0.008 (0.007)	-0.009 (0.007)
Age squared	0.00002 (0.0001)	0.00002 (0.0001)	0.00000 (0.0001)	0.00001 (0.0001)
Affordable*Liberal	-0.017 (0.047)			
Affordable*Ideology		0.009 (0.023)		
Affordable*Democrat			0.051 (0.044)	
Affordable*Party ID				-0.012 (0.032)
Constant	0.970*** (0.151)	0.984*** (0.148)	0.939*** (0.150)	0.966*** (0.149)
Observations	1,713	1,713	1,713	1,713
R <sup>2</sup>	0.144	0.144	0.152	0.147

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

Table H-11: Predictors of Support for Housing Proposals without Compensation, by Survey Sub-Sample

	All	Wave 1	Wave 2	Wave 3
	(1)	(2)	(3)	(4)
Distance (km)	0.078* (0.039)	0.106 (0.063)	0.147** (0.056)	-0.032 (0.072)
Affordable	0.086*** (0.021)	0.129*** (0.037)	0.039 (0.031)	0.114** (0.035)
Homeowner	-0.012 (0.041)	-0.007 (0.062)	0.053 (0.102)	0.014 (0.058)
Income	-0.005 (0.006)	-0.015 (0.011)	0.017 (0.011)	-0.002 (0.010)
White, non-Hispanic	-0.065 (0.054)	-0.127 (0.105)	-0.014 (0.080)	-0.165* (0.074)
Black, non-Hispanic	-0.218*** (0.065)	-0.330** (0.120)	-0.071 (0.114)	-0.276** (0.086)
Hispanic	-0.095 (0.075)	-0.188 (0.128)	-0.217 (0.122)	0.006 (0.103)
College	-0.062 (0.047)	-0.069 (0.081)	0.186* (0.072)	-0.174** (0.061)
Liberal	0.018 (0.040)	-0.012 (0.059)	0.006 (0.066)	0.035 (0.066)
Female	-0.150*** (0.034)	-0.142* (0.057)	-0.131* (0.059)	-0.086 (0.059)
Age	-0.010 (0.007)	0.005 (0.013)	-0.032 (0.018)	-0.009 (0.012)
Age squared	0.00002 (0.0001)	-0.0001 (0.0001)	0.0002 (0.0002)	0.0001 (0.0001)
Constant	0.976*** (0.152)	0.770* (0.339)	0.970* (0.471)	1.005*** (0.237)
Observations	1,713	608	659	446
R <sup>2</sup>	0.143	0.178	0.175	0.184

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001

Table H-12: Predictors of Support for Housing Proposals with Compensation, by Survey Sub-Sample

	All	Wave 1	Wave 2	Wave 3
	(1)	(2)	(3)	(4)
Compensation, logged	0.033*** (0.009)	0.043*** (0.013)	0.017 (0.015)	0.061** (0.020)
Distance (km)	0.065 (0.047)	0.031 (0.071)	0.152* (0.069)	0.068 (0.095)
Public benefits	0.032 (0.036)	-0.031 (0.060)	0.043 (0.058)	0.086 (0.068)
Affordable	0.091*** (0.025)	0.136** (0.046)	0.022 (0.037)	0.133** (0.046)
Homeowner	-0.027 (0.046)	0.001 (0.070)	0.076 (0.109)	0.037 (0.083)
Income	-0.009 (0.007)	-0.026* (0.013)	0.012 (0.012)	0.006 (0.012)
White, non-Hispanic	0.051 (0.061)	-0.132 (0.103)	0.099 (0.089)	0.060 (0.092)
Black, non-Hispanic	-0.100 (0.075)	-0.371** (0.122)	0.041 (0.128)	-0.025 (0.116)
Hispanic	0.059 (0.084)	-0.175 (0.132)	-0.170 (0.116)	0.230 (0.124)
College	-0.070 (0.054)	-0.089 (0.094)	0.064 (0.106)	-0.092 (0.079)
Democrat	0.039 (0.049)	0.031 (0.070)	0.055 (0.074)	0.027 (0.085)
Female	-0.145*** (0.038)	-0.102 (0.064)	-0.144* (0.064)	-0.144* (0.071)
Age	-0.019** (0.007)	-0.018 (0.015)	-0.034 (0.019)	-0.011 (0.014)
Age squared	0.0001 (0.0001)	0.0001 (0.0002)	0.0002 (0.0002)	0.00002 (0.0002)
Constant	0.982*** (0.185)	1.218** (0.421)	0.948 (0.526)	0.432 (0.337)
Observations	1,713	608	659	446
R <sup>2</sup>	0.167	0.170	0.180	0.177

Note:

\*p<0.05; \*\*p<0.01; \*\*\*p<0.001



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