

## **Comment on the Release of the HOPE VI Interim Assessment**

In 1993, Congress authorized the HOPE VI Program, an historic effort to redevelop and transform public housing. As the program was getting underway, HUD's Office of Policy Development and Research (PD&R) began a longitudinal assessment of fifteen of the original HOPE VI sites. The original intention was that we would examine these sites at three points in time:

When they first became HOPE VI grantees;

When construction was complete and they were re-occupied; and

Approximately five years after they were re-occupied.

In 1996, PD&R published "An Historical and Baseline Assessment of HOPE VI." This report documented conditions at each of the fifteen sites as they entered the HOPE VI Program. It also described the history of each project and how it came to the point where it needed a HOPE VI intervention.

In 1998, PD&R began the second phase of the overall planned assessment of HOPE VI. In this project, the research contractor visited each site as construction was completed and they were re-occupied. Because the sites proceeded on different schedules, these data were gathered over several years. By the time this contract was expiring, it was clear that construction at all sites would not be complete. PD&R decided to document conditions that existed in all sites at that time, and at least to describe the events that caused some sites not to have been completed. This report, which was completed in September 2003, is being released today.

Since 2003, there have been a series of internal debates as to whether the partial results should be released. Different events at different times since 2003 have led to HUD's not releasing this report until 2010. One major concern was that progress continued to be made on sites that were not completed by October 2002, when research for the project ended. Some felt that the report should be a record of the sites once all were completed. As time passed, others raised a concern that conditions were quite different at some of the sites, and argued that research should be re-initiated to capture more recent developments. Without consensus on these and other issues, the release of the report continued to be delayed.

Now in 2010, the Department has decided that the benefits to releasing the report sufficiently outweighs the potential costs and, as a result, is releasing it as it was completed in 2003. The HOPE VI Program represents perhaps the most important public/rental housing reform effort undertaken in the past 25 years. As such, there is considerable value in making available to the public as much information

as possible regarding the experiences of HOPE VI – how this program was implemented and what it accomplished.

**Table 1. HOPE VI Study Sites and Completion Status, October 2002 and December 31, 2009**

<b>City</b>	<b>Development</b>	<b>Status in Report (Oct. 2002)</b>	<b>Status as of 12/31/2009</b>
Milwaukee	Hillside Terrace	Completed and reoccupied	Completed and reoccupied
Baltimore	Lafayette Homes	Completed and reoccupied	Completed and reoccupied
Washington, DC	Ellen Wilson	Completed and reoccupied	Completed and reoccupied
Charlotte	Earle Village	Completed and reoccupied	Completed and reoccupied
Camden	McGuire Gardens	Completed and reoccupied	Completed and reoccupied
San Francisco	Bernal Dwellings. Plaza East	Completed and reoccupied	Completed and reoccupied
Cleveland	Outhwaite	Partially reoccupied	Completed and reoccupied
Atlanta	Clarke Howell/Techwood	Partially reoccupied	Completed and reoccupied
Boston	Mission Main	Partially reoccupied	Completed and reoccupied
New Haven	Elm Haven	Partially reoccupied	Completed and reoccupied
Oakland	Lockwood Gardens	Partially reoccupied	Completed and reoccupied
San Antonio	Spring View Gardens	Construction underway	Completed and reoccupied
Chicago	Cabrini Green	Construction not underway	Completed and reoccupied
Detroit	Jeffries Homes	Construction not underway	Partially reoccupied
New Orleans	Desire Homes	Construction not underway	Partially reoccupied

Table 1 presents the 15 HOPE VI sites and their status as of October 2002, when research ended, and as of the end of 2009. Clearly, much has changed since October 2002, with significant progress being achieved. Thirteen of the original fifteen HOPE VI developments in the study are now complete and completely re-occupied. Only two developments, in Detroit and New Orleans, have work remaining to be done to fulfill the original HOPE VI project plans. Desire Homes, in New Orleans' Lower Ninth Ward, was severely affected by Hurricane Katrina in 2006. Currently, both the New Orleans and Detroit project

are hindered by the economic recession. They both involve funding from the Low Income Housing Tax Credit (LIHTC) Program, which is difficult to make work under present economic conditions. In spite of these troubles, the two sites have produced over 800 units that have been reoccupied.

These fifteen HOPE VI developments primarily redeveloped assisted rental units (Table 2). Most of these units continue to be public housing, although a significant number are LIHTC only. And several of the sites provided significant homeownership opportunities.

**Table 2. HOPE VI Study Site Completed Units, by Tenure Type and Whether Assisted**

	Pre-HOPE VI	December 31, 2009								
	Total Units	Rental Units					Ownership Units			Total Units
City (Development)		Public Housing-Financed	LIHTC Equity Only	LIHTC Equity + Public Housing-Financed	All Other Assisted	Market Rate	Public Housing Financed	Other Affordable	Market Rate	
Milwaukee (Hillside)	596	453	0	0	0	0	3	0	0	456
Baltimore (Lafayette)	805	311	0	0	0	0	0	27	0	338
Washington, DC (E. Wilson)	134	0	0	0	0	0	134	0	13	147
Charlotte (Earle) <sup>i</sup>	409	104	50	261	127	101	40	0	35	718
Camden (Mcguire)	368	253	0	0	0	0	0	0	0	253
San Francisco (Bernal)	208	0	0	353	0	0	0	0	0	353
Cleveland (Outhwaite)	1,013	503	0	0	0	0	0	0	0	503
Atlanta (Techwood)	457	0	126	301	0	311	0	0	0	738
Boston (Mission Main)	849	0	0	445	0	90	0	0	0	535
New Haven (Elm Haven)	462	99	44	181	0	15	0	44	0	383
Oakland (Lockwood)	372	426	0	0	0	0	0	0	0	426
San Antonio (Spring View)	421	173	0	59	0	0	31	86	0	349
Chicago (Cabrini Green)	1,921	193	31	204	48	328	0	43	759	1,606
Detroit (Jeffries)	2,170	345	121	118	0	94	0	26	18	722
New Orleans (Desire)	1,832	91	0	121	51	2	0	0	0	265

This report contains many useful findings about HOPE VI.

- For all developments, HOPE VI resulted in significant physical improvements over the prior housing at the location;
- Overall, residents in the HOPE VI redevelopments had higher incomes, were more likely to be working, had more education and were more racially diverse than residents of the prior housing projects;
- For all developments, crime rates were lower after HOPE VI projects were in place and operating;
- For some, but not all sites, the presence of the HOPE VI development seemed to contribute to improved overall neighborhood conditions.

PD&R intends to complete the third study of HOPE VI as in the original plan. The next project in this series will examine some HOPE VI sites years after they were complete and re-occupied. This study will examine such issues as whether physical improvements lasted, whether neighborhood conditions changed, whether income mixing prevailed over time, and for all whether different project characteristics contributed to differences in success over time.

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<sup>i</sup> The body of the report indicates 351 units at Earle Village. Charlotte Housing Authority had money left over after the original project was completed and eventually produced additional units.