

Guest Editor's Introduction

Jennifer A. Stoloff

U.S. Department of Housing and Urban Development

The purpose of the HOPE (Housing Opportunities for People Everywhere) VI Program was to eradicate severely distressed public housing. The program was developed in response to the recommendations in the 1992 report by the National Commission on Severely Distressed Public Housing. The commission recommended action in three broad areas: physical needs, management, and social and community services.

The commission's report focused on the small but visible percentage of conventional public housing that was physically deteriorating and crime infested. An estimated six percent of the housing stock—about 86,000 units—was distressed. Despite the need for low-income housing, blighted projects often had high vacancy rates, and many had long been slated for demolition. The HOPE VI Program became the vehicle for redeveloping these projects.

On the heels of the report, Congress included in the fiscal year 1993 appropriations for the U.S. Department of Housing and Urban Development (HUD) \$300 million for the Urban Revitalization Demonstration Program—the predecessor of HOPE VI. Between 1993 and 2005, HOPE VI revitalization grants were awarded to 190 housing authorities, totaling more than \$6 billion. Revitalization grant funds are used for an array of purposes, including demolition of severely distressed public housing; acquisition of sites for new construction; capital costs of major rehabilitation, new construction, and other physical improvements; and community and supportive service programs for residents, including those relocated as a result of revitalization efforts.

HUD policy states the following key elements of HOPE VI:

- Changing the physical shape of public housing.
- Establishing comprehensive services to empower residents and incentives for resident self-sufficiency.
- Lessening concentrations of poverty by placing public housing in non-poverty neighborhoods and promoting mixed-income communities.
- Forging partnerships with other agencies, local governments, nonprofit organizations, and private businesses to leverage support and resources.

In many ways HOPE VI is a success: partnerships have been forged, and a great deal of blighted housing has been replaced with aesthetically pleasing mixed-income rental and homeownership units. Larger questions remain, however. How is HOPE VI a net benefit to surrounding neighborhoods? What are the positive spillover effects, if any? How does the program affect residents? Although services have been provided for families that were forced to move, what happened to those people? What are the benefits that made up for the disruption they experienced? Are families that did not move to the new development still adequately housed? How have their lives been improved by the change in residence? HOPE VI could have negative effects on neighborhoods and residents, especially on those who had to relocate two or more times. Social networks in public housing that provided childcare, job information, and other informal support could be permanently broken, leaving residents worse off. From a policy and research perspective, the questions are many and the challenges are great. How do we measure residents' self-sufficiency or concentrations of poverty? How can we capture neighborhood effects?

In this issue of *Cityscape*, the four symposium articles examine effects at the neighborhood and individual levels. Two articles review the effects of moving out of public housing to new neighborhoods on the former residents of the development. The authors question whether displaced residents are more likely to work in their new neighborhoods. The quality of the new neighborhood is also measured. They also analyze how moving has affected the lives of the displaced families. The other two articles examine whether the transformation of a housing project has spillover effects on the neighborhood. They examine crime and poverty reduction and analyze whether housing values increase.

Edward Goetz examines the effects of dispersal on families, looking at Duluth, Minnesota, to determine if families that have been involuntarily relocated by HOPE VI experience any benefits. He finds that the Duluth families, like those in other HOPE VI sites, stayed in the central city. Also like other people relocated by HOPE VI, they moved to neighborhoods with higher incomes, less poverty, less unemployment, and fewer families receiving public assistance. Yet Goetz finds no links between measures of neighborhood change and those of individual outcomes. In fact, he finds a decline in economic security in some instances. This finding runs contrary to the popular idea that improvements at the neighborhood level will lead to better outcomes for individuals.

Alexandra Curley combines quantitative and qualitative methods in an article about relocation and access to social capital. She asks if the neighborhood plays a role in developing "trust, interactions, and ties with co-residents (and also with outsiders)." Multivariate analyses of survey data indicate that the presence of neighborhood facilities and public spaces such as parks, libraries, and recreation facilities are very strong predictors of trust and reciprocity among neighbors. Hypothetically, more social capital will lead to positive changes such as better access to the labor market. Residents of public housing typically have little relevant social capital—that is, they may have good friends and strong family ties, but not of the kind that provide monetary resources or access to jobs. If "bad" neighborhoods reduce residents' access to social capital, relocation should help. Unfortunately, Curley, like Goetz, finds that benefits at the neighborhood level do not improve individual outcomes.

Nina Castells examines data on three projects in Baltimore and finds very little evidence of spillover effects in the form of increased property values. She asks if housing revitalization contributes to “the improvement of the surrounding neighborhood.” Overall, she finds only one case with positive effects, and those are weak. The case involved a land swap, so the spillover was not directly linked to the original location of the public housing development. Along with her quantitative analysis, Castells also provides qualitative information. She supplements empirical estimates with “information from local newspapers and interviews with city and housing experts to better understand implementation strategies, the community response to HOPE VI redevelopment, and other neighborhood changes and investments that may have affected property prices in the HOPE VI neighborhoods during the study period.”

Sean Zielenbach and Richard Voith look at several measures of neighborhood economic development in Boston and Washington, D.C. They find more spillover effects than Castells does, but the most improved area in their study shows the least impact from HOPE VI, suggesting that other neighborhood improvements may be more powerful than HOPE VI redevelopment. Zielenbach and Voith conclude that market dynamics in the nearby area largely explain the positive effects. That is, in already improving areas, a HOPE VI development probably follows—rather than leads—positive neighborhood change.

What are the next steps for research about HOPE VI? The primary questions cluster around the stability of mixed-income projects. How do they retain their income mix over the long run? Who lives in the HOPE VI projects? Which HOPE VI partnerships are financially viable over the long term?

At the individual level, we want to know if low-income households benefit from the supportive services that HOPE VI offers. What is the role of local public school performance as a mediating variable in a project’s success? What are the longer-term outcomes for displaced families? How many move to the new HOPE VI development and how many stay away? How do long-term outcomes compare for similar families in the two groups?

HUD Secretary Shaun Donovan has proposed a new program—Choice Neighborhoods—designed to broaden the scope of HOPE VI. Choice Neighborhoods would differ from HOPE VI by allowing redevelopment of privately owned subsidized projects in addition to public housing and by requiring a comprehensive plan for redevelopment of the surrounding neighborhood. The new program would help public, private, and nonprofit partners extend efforts to transform neighborhoods beyond public housing, and it would ask public housing authorities to add early childhood education to the supportive services provided by HOPE VI. Ideally, Choice Neighborhoods would transform larger neighborhoods and link housing interventions more closely to school reform and innovations in early childhood education.

Choice Neighborhoods is under review by the authorizing committees of Congress and funded as a demonstration in fiscal year 2010. In the long run, we expect that careful research will enhance policy in addressing the major urban challenge of distressed housing.

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