

HOPE VI

*Building Communities
Transforming Lives*



Andrew Cuomo, Secretary
U.S. Department of Housing and Urban Development

FROM THE SECRETARY



Sixty years ago, when Techwood Homes in Atlanta was built, it defined the initial concept for public housing: Demolish slums and build modest housing for low-income people. Today Techwood, rebuilt as Centennial Place, offers a model for building sustainable communities in the 21st century. This attractively designed HOPE VI community has public housing families living next door to private-market apartments rented by young professionals, with construction financed with both public and private resources. This story is being repeated in dozens of communities across the country.

Most public housing in America provides decent, affordable housing for our nation's neediest citizens.

But when we concentrated and isolated large numbers of poor families in barracks-style projects

and high rises with insufficient funds to maintain them adequately—and without access to the jobs, the support services, or the transportation that would enable residents to move up and out—we should not have been surprised when these projects failed.

HOPE VI is the lesson learned. For the small percentage of public housing that is severely distressed, HOPE VI offers a bold and comprehensive solution: Rather than reinvest in failure, build new communities. Start from the ground up. This time we listened and are doing it right.

How? Begin with the basic concept that this is not about building housing, but about building communities. Don't segregate by income, race, or ethnicity. Design these developments as inclusive, mixed-income neighborhoods that are the heart and soul of the community. Do it in partnership with the

private sector. Build in opportunities for homeownership. Help the residents get stable, livable-wage jobs and help the children excel in school.

In 1998, President Clinton signed historic, bipartisan legislation that for the first time extends these principles to all of public housing—both creating opportunities for working families and protecting public housing's traditional commitment to the poor. We have also reformed HUD to give housing authorities and local communities more control and more flexibility to do the job. With HOPE VI leading the way, these are powerful ways to make public housing something we can truly be proud of in the new century.

Sincerely,

A handwritten signature in blue ink that reads "Andrew Cuomo". The signature is written in a cursive, flowing style.



INTRODUCTION

“HUD’S HOPE VI GRANTS ARE A STEP TOWARDS ACHIEVING MY ADMINISTRATION’S GOAL OF HELPING PEOPLE HELP THEMSELVES TO IMPROVE THEIR LIVES AND THEIR COMMUNITIES THROUGH HARD WORK. BY PROVIDING JOB TRAINING AND IMPROVING THE QUALITY, MANAGEMENT, AND SAFETY OF PUBLIC HOUSING, WE ARE GIVING HOPE TO COMMUNITIES THAT HAVE PREVIOUSLY KNOWN DESPAIR.”

PRESIDENT BILL CLINTON

HUD’s HOPE VI program is the latest chapter in an important American success story—the public housing system. The vast majority of the nation’s 3,400 housing authorities provide safe, decent, affordable housing for 1.3 million very low-income families—a stable place from which they can begin to build a better life.

However, the quiet successes of America’s public housing have all too often been overshadowed by the terrible conditions in a small share of units (almost 100,000 out of 1.3 million public housing units, according to a 1992 report of the National Commission on Severely Distressed Public Housing). These large high-rise and barracks-style projects, collapsing under the burdens of poor design, deferred maintenance, and decades of hard

use, have unjustly defined the public image of public housing. Yet there is no denying the malignant effect of these developments on their residents or on struggling, high-poverty neighborhoods.

By the early 1990s, there was a clear consensus, not only that this severely distressed public housing should be demolished, but that the entire public housing system—the body of restrictive rules that had grown up around the program—had lost its way. Some voices even said that the time had come to walk away from the nation’s \$80 billion investment in public housing—and abolish the agency that presided over it. However, many others recognize that to walk away

from public housing is to walk away from people in need.

The HOPE VI program (initially called the Urban Revitalization Demonstration) provided the first tool for revitalizing severely distressed public housing. Even in its relatively modest beginnings, we recognized the importance of transforming the lives of public housing residents as well as their physical environment.

It was President Bill Clinton’s Urban Empowerment Agenda that



Public housing residents examine HOPE VI site plan

HOPE VI: BUILDING COMMUNITIES AND TRANSFORMING LIVES

pointed a new way forward for public housing. The Administration's Agenda was grounded in a clear-eyed understanding of the urban processes that had destabilized distressed public housing—the flight of middle-class families and capital, the concentration of the poor, and the toll exacted by isolation of public housing families from the world of work and the habit of responsibility.

These insights led to an exciting breakthrough in the HOPE VI program. Ending the isolation of public housing residents demanded including housing for moderate-income families and homebuyers in HOPE VI redevelopments.

HOPE VI has emerged as a successful component of the President's Urban Empowerment Agenda. The locally led initiatives it supports are transforming more than 120 neighborhoods in

cities across America, bringing real change to places where poverty and despair seemed deeply entrenched.

HOPE VI provides grants of up to \$35 million to transform our nation's worst public housing projects into its best mixed-income communities. HUD has invested some \$3.5 billion through 1999 in local strategies that reflect the hard-won lessons of previous urban redevelopment efforts.

HOPE VI is collaborative, enlisting a wide range of stakeholders—including mayors and other elected officials, resident organizations, developers and lenders, government agencies, nonprofit and faith-based groups, and many others—in partnerships that marry public goals, private-sector energy and funding, and the dormant hopes of community residents.

NATIONAL TRANSFORMATION STATISTICS

\$3.5 billion approved through fiscal year 1999

\$4.1 billion in leveraged funds

124 HOPE VI communities

53,000 HOPE VI units approved for demolition

35,000 HOPE VI new public housing units

25,000 other new units to achieve mixed income

12,000 Section 8 certificates to achieve mobility and
deconcentration

HOPE VI is comprehensive, addressing the multiple challenges facing distressed communities and their residents, including unemployment, education, and crime.

HOPE VI builds on the community's assets, drawing upon the untapped reservoirs of economic power, human capital, historic value, and cultural vitality that even the poorest neighborhoods possess.

The transformations promoted by HOPE VI—from isolation to integration, from eyesore to asset, from welfare to self-sufficiency—do not come quickly or easily. But in Boston and Orlando, Indianapolis and Tucson, and dozens of other cities, the old signs of poverty and neglect are giving way to new signs of HOPE for distressed public housing. 🏠

ATTRACTIVE PLACES TO LIVE

“WE ARE TRANSFORMING THE WORST PUBLIC HOUSING DEVELOPMENTS IN AMERICA INTO OUTPOSTS OF OPPORTUNITY THAT WILL HELP POOR FAMILIES BUILD BETTER LIVES AND HELP REVITALIZE AMERICA’S CITIES.”

VICE PRESIDENT AL GORE

H OPE VI is helping to finally free severely distressed public housing from the legacy of poorly designed buildings and their tremendous human costs.

An architectural critic once described the dominant style of American public housing as “penal-colony modern.” The term is tragically apt. The spartan high-rises and barracks-style buildings of many projects were institutional—even punitive—in both form and function. Some lack basic features such as closets; others



HOPE VI infill helped renew Pittsburgh’s historic Manchester neighborhood

have deteriorated over the years into oppressive, sometimes uninhabitable environments. Residents are virtually walled off from the surrounding community because their buildings

are either marooned in the middle of windswept superblocks or inaccessible from the street.



With HOPE VI grants, housing authorities have the necessary resources to fix these mistakes by tearing the properties down and starting over again or, in some cases, rehabilitating them.



Hayes Valley public housing before and after HOPE VI, San Francisco





hood, and bungalows with timbered accents in Seattle.

Drawing on the principles of the New Urbanism, a

developments that are safe and accessible for all. Most redevelopments have added streets that reconnect the former public housing site to the city's existing street grid, making the site a

come together—the transformation of the former Lafayette Courts in Baltimore and Ellen Wilson Dwellings in Washington, D.C.—were singled out by the American Institute of Architects for their Honor Awards for Urban Design. 🏠

HOPE VI-funded redevelopments are sensitive to the needs of their residents and the architectural character of their neighborhoods. Stylistically, HOPE VI developments take their cues from their surroundings. The conventional blank boxes of public housing architecture are being replaced by dignified brick row-houses in Baltimore, Victorian exuberance in Washington, D.C.'s historic Capitol Hill neighbor-



Barren "project" made beautiful, Orchard Park, Boston

planning and design movement that has attempted to distill and update the essential qualities of traditional neighborhood design, HOPE VI promotes sustainable, pedestrian-friendly, transit-oriented

continuation of the community instead of isolating it. Two HOPE VI developments in which all of these elements



STABLE, DIVERSE COMMUNITIES

“HOPE VI...IS THE STORY OF WHAT NEVER SHOULD HAVE BEEN IN THE FIRST PLACE AND WHAT PUBLIC HOUSING CAN BE IN THE FUTURE...A BEAUTIFUL STORY OF POSSIBILITIES.”

HUD SECRETARY ANDREW CUOMO

If efforts to revitalize the worst public housing are to succeed for public housing residents and the community at large, they must hold onto—and lure back—the working families that form the bedrock of stable neighborhoods. Many scholars believe that the flight of these families from declining cities weakened local economies, crippled local institutions, and frayed the ties that bind the poor families that remain to the values and the opportunities of mainstream society. In cities across America, HOPE VI is giving these families new reasons to return.

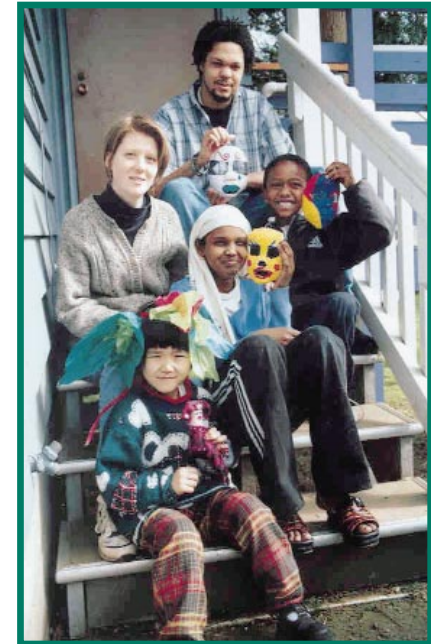
HUD has encouraged housing authorities to leverage other funding with their HOPE VI grants to

make affordable and market-rate housing an integral part of their redevelopment plans—without losing sight of their core mission of serving public housing residents. HOPE VI communities are able to compete because they can offer the attributes that most households seek—quality housing, safe streets, good schools, and proximity to shopping and employment.

HOPE VI has the capacity to foster communities with a diversity that fulfills the promise of America. They are designed to welcome:

- **Homeowners as well as renters.** Homeownership is vital to long-term neighborhood stability and thus is an

important element of most HOPE VI revitalization plans. For example, 40 percent of the 1,063 units in the redevelopment of the Park DuValle neighborhood in



Some of the many faces of public housing communities

Louisville are for-sale homes, and one-third of these will be affordable to families earning less than 80 percent of the area median income.

- **Households of every age and condition of life.** Many HOPE VI initiatives include housing for elderly households as well as families with children. Five recent HOPE VI grants are converting older elderly housing into assisted living for frail seniors so that their aging residents can remain in their neighborhood. HUD is also encouraging maximum accessibility in HOPE VI housing. Nine percent of the rental and for-sale units in the Wheeler Creek develop-

ment in Washington, D.C., will be fully accessible to persons with physical disabilities, and 27 percent will have accessible entrances and bathrooms to make them at least “visitable” to those with mobility impairments.

- **Persons of every race and culture.** Immigrants and racial and ethnic minorities are heavily represented in many HOPE VI communities, among both the public housing population and potential in-movers. The Seattle Housing Authority and its partners have employed special translation services and minority representatives to ensure that Asian, African, and Hispanic

families understand and can participate at every step in the NewHolly development process, from planning to homeownership counseling.

- **A sense of community.** HOPE VI developments are designed for neighborliness. They include attributes of tra-

ditional communities—front porches, wide front steps, sidewalks, neighborhood pools, and playgrounds—that encourage residents to know one another and take an active interest in their neighborhood. 🏠



Residents participate in planning the revitalization of HOPE VI neighborhoods



FAMILIES MOVING UP

“THIS SOUNDED TOO GOOD TO BE TRUE...BUT EVERYTHING WORKED OUT. IT’S EVEN BETTER THAN I THOUGHT.”

FIRST-TIME HOMEBUYER AND RETURNING RESIDENT OF THE FORMER EARLE VILLAGE, CHARLOTTE, NC

The bonds that tie people to a particular place can be as strong in the most distressed community as they are in the most idyllic. That is why cheers and tears mingle so freely when even a despised public housing “project” is torn down. Some of its departing residents may want to stay in the familiar surroundings of their old neighborhood. Others, however, may want to move their families to where the schools are better or the jobs more plentiful. HOPE VI can help them have:

- **The power to choose where to live.** This power, which most Americans can take for granted, is largely unknown to people who have been trapped—for much of their lives, in some cases—in what was often truly the housing



Families at Seattle’s NewHolly take pride in their HOPE VI homes

of last resort. Housing authorities today are moving aggressively to ensure that public housing residents relocating from HOPE VI sites during the redevelopment process are able to choose homes and the

neighborhoods that suit their needs.

In Baltimore and other cities across the country, housing authorities are educating families about the full range of local housing options and neighborhoods, counseling them on housing search strategies, and reaching out to private landlords in lower poverty areas. Efforts like these have helped the families relocating from HOPE VI

sites in Atlanta to obtain the housing of their choice. Many who initially had planned to move back to the redeveloped site were so pleased with their new neighborhoods that they chose not to return.

■ **The power to see a better future.** Perhaps the most inspiring sign of the promise that HOPE VI has brought to poverty-stricken urban communities is the families that are returning to transformed public housing developments as first-time homeowners. The determination of these former public housing tenants is so strong that, when no longer weighed down by isolation and despair, they are able to realize the American Dream for themselves and their families.

Programs such as the Homeownership Institute at Charlotte's First Ward Place help demystify the home search and mortgage

financing processes. They show prospective homebuyers how to clean up their credit and maintain their home, equipping them with the knowledge they will need to become astute homeseekers, qualified mortgage applicants, and successful owners.

In addition, HOPE VI grantees and their partners in the mortgage lending industry bring to bear an array of proven affordable housing financing tools and techniques. By leveraging public and private resources, HOPE VI developments offer lower income buyers lease-purchase arrangements, "soft" second mortgages, reduced downpayment or closing costs, lower interest rates, and other advantages. 🏠



Relocation assistance helped former Pico Aliso residents obtain good housing elsewhere in Los Angeles



OPPORTUNITIES TO LEARN AND EARN

“I FEEL A SENSE OF COMMUNITY HERE. THERE IS NOWHERE ELSE IN ATLANTA I’D WANT TO BE RIGHT NOW. I THINK IT’S THAT NICE.”

**CENTENNIAL PLACE RESIDENT,
ATLANTA, GA**

HOPE VI provides a ladder of assistance to residents of distressed public housing, for whom the climb out of dependence to self-sufficiency can be particularly tricky. The stability provided by a quality living environment is invaluable—it gives them a solid foothold from which they can push off with confidence. A diverse, mixed-income community offers them many guides, especially working families whose example can both instruct and inspire.



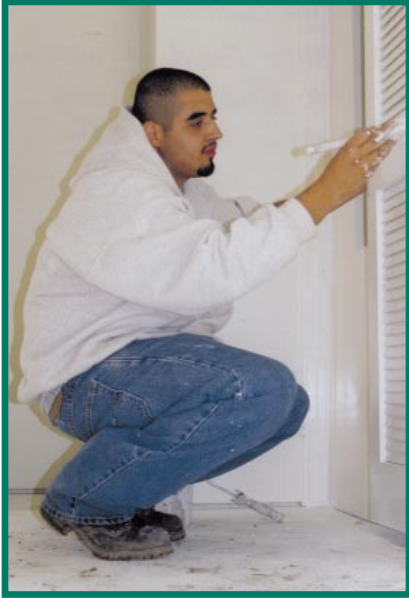
Kids are safe to play and explore in HOPE VI communities

For many public housing families, however, these advantages alone will not enable them to overcome the serious obstacles ahead. HOPE VI allows housing authorities to devote up to 15 percent of their grants to delivering a wide range of community and supportive services that will equip these residents with the skills they need to succeed in the workforce—and in life. Institutional partners in HOPE VI initiatives—community- and faith-based nonprofit groups and state and local social service agencies, in particular—usually take a leading role in providing these services, which include:



Youth apprenticeships give residents constructive alternatives to the streets

- **Education.** HOPE VI developments provide educational opportunities for adults and children alike. Offerings include everything from nutrition to English as a second language, from vocational skills to personal budgeting. Increasingly, classes use computer-based curricula and are brought together under the roof of a single, multipurpose community building such as Seattle’s state-of-the-art



HOPE VI means jobs for public housing residents

Campus of Learners, which also includes a full-service public library and a community college branch.

Because public school quality is so important to the marketability of mixed-income HOPE VI developments and to the prospects of residents' children,

strong alliances between housing authorities and school boards are crucial, bringing upgraded schools to the neighborhood. Atlanta's Centennial Place boasts a science and technology magnet school onsite, operated under a partnership with the adjacent Georgia Tech campus. In Wilmington, Delaware, the housing authority has established a charter school next to its Eastlake HOPE VI site.

■ **Employment.** Welfare reform has given a new urgency to HOPE VI-focused programs that help public housing residents prepare for, find, and retain jobs. Grantees and their partners are pursuing a number of strategies that coordinate with or complement existing local welfare-to-work initiatives. Some (notably Baltimore and Los

Angeles) place residents in revitalization-related jobs. Chicago has found success through a partnership with Walgreen's drug stores that trains Cabrini-Green residents and places them in retail positions. This effort has been so successful that Walgreen's is currently expanding it to East St. Louis, New Orleans, and other cities.

Several HOPE VI sites are helping entrepreneurial public housing residents become small business owners. At the former Lafayette Courts HOPE VI site in Baltimore, the project's developer helped to capitalize and contract with resident-owned businesses. The comprehensive strategy being employed at Hillside Terrace (Milwaukee) has helped increase residents' average house-

hold income by 30 percent between 1996 and 1999, lifting more than 160 public housing families out of poverty.

■ **Childcare.** Without affordable, accessible childcare, the single parents who dominate the public housing tenant rolls are less likely to find and keep a job, and the neighborhood is at greater risk for crime and delinquency problems as well. Housing authorities are addressing the lack of childcare at HOPE VI sites and elsewhere by providing space and support for childcare in revamped and expanded community facilities, as well as by assisting residents and resident organizations in establishing in-home and larger scale childcare businesses.



- **Safety and Security.** Housing authorities and their partners are working to revitalize public housing developments in neighborhoods where gangs and drugs have long been entrenched. In addition to “defensible space” elements and other physical improvements to enhance security, HOPE VI sites employ resident patrols and various community policing strategies, including providing onsite units to police officers and their fami-



Up-to-date computer learning centers make onsite learning fun

lies as part of HUD’s successful Officer Next Door program.

- **Youth Programs.** Of course, the easiest crime to stop is the one that has not yet occurred. HOPE VI partners across America are mounting programs that offer young people positive alternatives to the streets. In Los Angeles’ Pico Aliso HOPE VI community, Jobs for the Future encourages young gang members to turn toward work. La Orquesta Sinfonica Juvenil at La Nueva Puerta de San Juan in Puerto Rico engages young people from rival public housing projects in making music together.

- **Resident Leadership.** HOPE VI helps public housing residents make the transition from powerlessness

to empowerment. Resident organizations are often leading partners in the revitalization of their communities. Others are busily developing the technical, organizational, and leadership capacity to take on increasingly responsible roles.

HUD is committed to ensuring that residents at all HOPE VI sites have access to the information, expertise, and support they need to participate fully at every step of the redevelopment process.

HOPE VI developments are being enriched with a vast array of resources and services that can help any motivated resident climb toward a better future—but motivation is the key. Many housing

authorities have established rigorous admission requirements for HOPE VI communities. For example, the housing authority may require that public housing residents be in a self-sufficiency program that sets clear goals for moving toward independence. Like any private landlord, most housing authorities demand that residents do not have a recent history of abusing their lease, their credit, or the law. 🏠



Hillside Terrace in Milwaukee was designed with kids in mind

CATALYSTS FOR ECONOMIC DEVELOPMENT

“BALTIMORE’S SECOND RENAISSANCE IS WELL UNDERWAY, AND HOPE VI IS A DRIVING FORCE, NOT ONLY FOR PUBLIC HOUSING, BUT FOR THE SURROUNDING COMMUNITIES.”

**FORMER BALTIMORE MAYOR
KURT SCHMOKE**

The HOPE VI program reaches out to the broader community. It recognizes that the fortunes of public housing sites and the surrounding community are inextricably linked: One cannot prosper unless the other is healthy. Therefore, one of the program’s principal objectives is to ensure that investments in public housing revitalization contribute to communitywide economic renewal as well. HOPE VI initiatives improve the local economy by:



- **Attracting more community development.** A HOPE VI grant may be the first significant public investment that some chronically distressed urban communities have seen in many years. These grants can become a focal point for comprehensive community revitalization initiatives. In Columbus, the housing authority leveraged its HOPE VI grant for Windsor Terrace to attract crucial city infrastructure investments to the surrounding Greater Linden area, including a new fire station, police substation, and transit center. This reinvestment activity encouraged other community stakeholders to follow: Citing the HOPE VI grant, a paint manufacturer spent \$32 million to upgrade its Linden facility instead of moving to the suburbs. In Louisville, HOPE VI funding is part of the massive \$215 million Park DuValle community revitalization effort.
- **Keeping HOPE VI dollars in the community.** HOPE VI is important to communities not only for the revitalized public housing it yields, but also for the additional revenue the redevelopment work can mean for neighborhood suppliers, the income it puts in the pockets of neighborhood workers, and the sales it generates for the stores those workers patronize. Baltimore helps ensure that low-income community residents have a shot at all development-related jobs by operating an employment clearinghouse that has a right of first referral on all job openings. In Indianapolis, the housing authority divided the redevelopment of Concord Village/Eaglecreek into dozens of parcels so that small, minority contractors in the Near Eastside community would be able to compete for work.
- **Stimulating neighborhood investment.** HOPE VI redevelopment activities also encourage local property owners to maintain their own holdings. The Boston Housing Authority scaled back plans to acquire and rehabilitate dilapidated houses adjacent to its Orchard Park HOPE VI site when owners started fixing them up on their own.
- **Raising community property values.** The local economic impact of HOPE VI revitalization projects, though hard to quantify, clearly is profound. For example, real estate tax receipts in the vicinity of Charlotte’s First Ward Place jumped tenfold, from \$300,000 to \$3 million. 🏠

A NEW WAY OF DOING BUSINESS

HOPE VI breaks the public housing mold. HOPE VI developments do not look like public housing; they are not run like public housing. They proclaim new goals; they welcome new neighbors; they offer new opportunities and set new—and higher—expectations for community life.

These characteristics are the natural outgrowth of fundamental shifts in public housing policies and practices, influenced in recent years by

HOPE VI itself. In addition to its tremendous significance as an urban revitalization tool, HOPE VI is the laboratory in which the future of public housing is being tested today.

HOPE VI is also challenging public housing authorities to pursue new ways of doing business. These strategies are as much a part of the HOPE VI transformation story as the more visible changes in programs and physical design. HOPE VI encourages housing authorities to:

- **Think outside the public housing “box.”** Housing authorities today are being asked to be more than merely property managers, and in HOPE VI their strategic thinking reflects an increased attention to the intertwined fortunes of communities and their public housing developments.

- **Be a player.** HOPE VI projects benefit from an increasingly collaborative relationship between housing authorities and their local government partners. This is an important departure from housing authorities’ traditional isolation from the workings of city government and the currents of civic and business life.
- **Seek partners.** Partnership is one of the keystones of HOPE VI. Grantees are aggressively reaching out to the private sector and governments at every level, as well as to community-based nonprofits, faith-based and civic groups, institutions of higher learning, labor unions, foundations, and others.
- **Take the market’s pulse.** In today’s environment of mixed-income HOPE VI developments, housing authorities are

learning to incorporate higher, private-industry standards into their decisionmaking in many aspects of operations, while continuing to follow their public mission.

- **Leverage funds.** A primary explanation for the mixed-income and, increasingly, mixed-use nature of HOPE VI revitalization plans is the growing sophistication among grantees and their financial advisors in obtaining and coordinating diverse public and private funding sources.
- **Innovate.** One of the lasting legacies of HOPE VI will be that grantees, residents, partners, and other stakeholders are working together to creatively transform America’s worst public housing into “communities of opportunity” for the new millennium. 🏠



The former Ellen Wilson Dwellings has been rebuilt as a mixed-income cooperative, Washington, D.C.

CONTACT INFORMATION

Learn more about how the HOPE VI program is transforming distressed public housing across the country—and how it can work in your community.

Contact your local HUD office or visit HUD's website at <http://www.hud.gov>

“MY FAMILY AND I HAVE RETURNED TO A MUCH DIFFERENT HILLSIDE THAN WHEN I LEFT: A MORE ATTRACTIVE PLACE, WITH OPEN STREETS, PORCHES, BEAUTIFUL LANDSCAPING. MORE IMPORTANTLY, RESIDENTS TAKE PRIDE IN THEIR COMMUNITY, THEY TALK TO EACH OTHER, AND NEIGHBORS LOOK OUT FOR EACH OTHER’S CHILDREN.”

**HILLSIDE TERRACE RESIDENT,
MILWAUKEE, WI**

U.S. Department of Housing and Urban Development
Office of Public Housing Investments
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From highrise to human scale, Henry Horner Homes, Chicago

Front Cover: Streetscape, Orchard Park HOPE VI development, Boston

Back Cover: Centennial Place HOPE VI development at night, Atlanta



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