AN ANALYSIS OF HOPE VI REVITALIZATION GRANTS IN GEORGIA WITH RECOMMENDATIONS FOR THE CHOICE NEIGHBORHOODS INITIATIVE

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Master of City and Regional Planning
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PRESENTATION OUTLINE

- Background
- Reason for Study
- Research Design
- Findings
- Recommendations for Choice Neighborhoods Initiative & Conclusions

Centennial Place, Atlanta, GA
• 6% of public housing units found to be “unfit, unsafe, and unlivable due to inadequate program funding, physical deterioration, and high rates of crime and unemployment” in 1992

(National Commission on Severely Distressed Public Housing, 1992)
BACKGROUND – HOPE VI

- Housing Opportunities for People Everywhere (HOPE VI) established by the U.S. Department of Housing and Urban Development (HUD) to revitalize low-income communities with a focus in three areas:
  - Physical improvements
  - Management improvements
  - Social and community services to address resident needs

(U.S. Dept. of Housing and Urban Development)
BACKGROUND – HOPE VI

- The HOPE VI Program met these goals by:
  - Demolishing, rehabilitating, reconfiguring, or replacing obsolete projects in part or whole
  - Providing housing in ways that avoid or decrease the concentration of very low-income families (placement in nonpoverty neighborhoods, mixing of incomes)
  - Establishing positive incentives for resident self-sufficiency and comprehensive services that empower residents

One major goal of the program was to reduce concentrations of poverty by attracting middle income families and encouraging mixed-income neighborhoods

(Popkin, 2002)
BACKGROUND – HOPE VI

Funding for HOPE VI Revitalization Grants used for:

• Capital costs of major rehabilitation, new construction and other physical improvements
• Demolition of severely distressed public housing
• Acquisition of sites for off-site construction
• Community and supportive service programs for residents, including those relocated as a result of revitalization efforts
## Benefits of Mixed-Income Neighborhoods

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Benefit</th>
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<tbody>
<tr>
<td>Encourage further development/investment</td>
<td>Rehabilitate distressed properties</td>
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<tr>
<td>Reduce vacancy rates</td>
<td>Stabilize declining areas</td>
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<td>Increase local revenues</td>
<td>Reduce sprawl</td>
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<tr>
<td>Increase property values</td>
<td>Decrease crime</td>
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<tr>
<td>Increase social mixing</td>
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(Atkinson, 2004)
## Negative Impacts of Mixed-Income Neighborhoods

<table>
<thead>
<tr>
<th>Impact</th>
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<tbody>
<tr>
<td>Loss of affordable housing</td>
<td>Increase in crime</td>
</tr>
<tr>
<td>Displacement (rent increases, housing demand)</td>
<td>Loss of social diversity</td>
</tr>
<tr>
<td>Community resentment &amp; conflict</td>
<td>Homelessness</td>
</tr>
<tr>
<td>Increased cost &amp; changes to local services</td>
<td>Unsustainable property price increases</td>
</tr>
<tr>
<td>Psychological costs of displacement</td>
<td>Under-occupancy and population loss</td>
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</tbody>
</table>

(Atkinson, 2004)
In 2010, HUD decided to end funding for HOPE VI and instead focus on creating a new program called Choice Neighborhoods Initiative (CNI)

“Choice Neighborhoods grants transforms distressed neighborhoods and public and assisted projects into viable and sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs”

(U.S. Dept. of Housing & Urban Development)
REASON FOR STUDY

• Assess how HOPE VI revitalization grants have impacted housing and population trends in Georgia
• Identify issues encountered by HOPE VI grantees to craft recommendations for the Choice Neighborhoods Initiative
GEORGIA HOPE VI SITES

• Fulton County
  • Centennial Place
  • West Highlands
  • Villages at Carver
  • Capitol Gateway
  • Mechanicsville
  • West End
  • Auburn Pointe

• Bibb County
  • Tattnall Place
  • Chatham County
  • Ashley Midtown
  • Muscogee County
  • Ashley Station
RESEARCH DESIGN

- Collect information from:
  - U.S. Department of Housing and Urban Development
  - Public Housing Authorities (5 received HOPE VI grants in GA)
  - Literature review & analysis
    - GA HOPE VI sites
    - Successes and failures of HOPE VI (in general)
  - ESRI Community Analyst
    - Used for 1990 and 2000 data
  - U.S. Census
    - 2010 Data (ACS 5-year estimates)
RESEARCH DESIGN

• Housing
  • Number of original public housing units
  • Number of new/rehabilitated units
  • Breakdown of units (affordable, tax credit, market rate)

The following data was collected for: 1990, 2000, & 2010
• Housing value
• Contract rent
RESEARCH DESIGN

• Population
  Data was collected for: 1990, 2000, & 2010
  • Household income
  • Poverty status
  • Educational attainment
  • Employment rates

West Highlands, Atlanta, GA
OBSTACLES ENCOUNTERED

• Lack of consistent information provided from HUD
• Lack of response from contacted PHAs
• Inability to obtain application documents from PHAs or HUD

Ashley Midtown, Savannah, GA
FINDINGS – HOUSING
Change in Total # of Units

- Before HOPE VI
- After HOPE VI

# Units

- Centennial Park
- West Highlands
- Villages at Carver
- West End
- Capitol Gateway
- Mechanicsville
- Auburn Pointe
- Tattnall Place
- Ashley Midtown
- Ashley Station
Change in # of Affordable Units

<table>
<thead>
<tr>
<th>Location</th>
<th># Units Before HOPE VI</th>
<th># Units After HOPE VI</th>
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</thead>
<tbody>
<tr>
<td>Centennial Park</td>
<td>1200</td>
<td>400</td>
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<tr>
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<td>900</td>
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<tr>
<td>Villages at Carver</td>
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<td>800</td>
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<tr>
<td>West End</td>
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<td>Capitol Gateway</td>
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<td>Mechanicsville</td>
<td>400</td>
<td>500</td>
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<tr>
<td>Auburn Pointe</td>
<td>300</td>
<td>400</td>
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<tr>
<td>Tattnall Place</td>
<td>200</td>
<td>300</td>
</tr>
<tr>
<td>Ashley Midtown</td>
<td>100</td>
<td>200</td>
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<tr>
<td>Ashley Station</td>
<td>100</td>
<td>200</td>
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</table>
Change in Median Home Value (Owner Occupied Units)

- Before HOPE VI
- After HOPE VI

<table>
<thead>
<tr>
<th>Location</th>
<th>Before HOPE VI</th>
<th>After HOPE VI</th>
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<tbody>
<tr>
<td>Centennial Place</td>
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<td>West Highlands</td>
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Change in Median Household Income

Before HOPE VI

After HOPE VI

Centennial Place
West Highlands
Villages at Carver
West End
Capital Gateway
Mechanicsville
Auburn Pointe
Tattnall Place
Ashley Midtown
Ashley Station
### % of Population Below Poverty Line

<table>
<thead>
<tr>
<th>Community</th>
<th>Before HOPE VI</th>
<th>After HOPE VI</th>
<th>Change</th>
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<tr>
<td>Centennial Place</td>
<td>71%</td>
<td>42%</td>
<td>-29%</td>
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<tr>
<td>West Highlands</td>
<td>61%</td>
<td>45%</td>
<td>-16%</td>
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<tr>
<td>Villages at Carver</td>
<td>70%</td>
<td>43%</td>
<td>-27%</td>
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<tr>
<td>West End</td>
<td>46%</td>
<td>43%</td>
<td>-3%</td>
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<tr>
<td>Capitol Gateway</td>
<td>61%</td>
<td>60%</td>
<td>-1%</td>
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<tr>
<td>Mechanicsville</td>
<td>68%</td>
<td>33%</td>
<td>-35%</td>
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<tr>
<td>Auburn Pointe</td>
<td>46%</td>
<td>36%</td>
<td>-10%</td>
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<tr>
<td>Tattnall Place</td>
<td>45%</td>
<td>35%</td>
<td>-10%</td>
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<tr>
<td>Ashley Midtown</td>
<td>27%</td>
<td>49%</td>
<td>22%</td>
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<tr>
<td>Ashley Station</td>
<td>47%</td>
<td>10%</td>
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## Summary of Changes at HOPE VI Sites

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<thead>
<tr>
<th></th>
<th>Number Affordable Units</th>
<th>Median Home Value</th>
<th>Rent</th>
<th>Median Household Income</th>
<th>Below Poverty Line</th>
<th>Educational Attainment</th>
<th>Rate of Unemployment</th>
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KEY POINTS TO KEEP IN MIND

• Approximately 1/3 of the public housing units that received a HOPE VI funding were unoccupied at the time the grant was awarded
  • The true rate of replacement in 2003 was 78%
• Rates of reoccupation vary due to:
  • Former residents are pleased with current housing
  • No desire to disrupt their lives for relocation
  • The site brings back bad memories
  • Residents do not trust the PHAs or property managers
  • Some residents don’t meet the requirements for reoccupation

(Popkin et. al 2004)
RECOMMENDATIONS FOR CHOICE NEIGHBORHOODS

- Develop a measurement system to measure each PHAs performance
- Require a one-for-one replacement of occupied public housing units
- Update numbers on severely distressed units and provide these sites with grants before funding other projects

Auburn Pointe, Atlanta, GA
RECOMMENDATIONS FOR CHOICE NEIGHBORHOODS

- Establish programs for hard to house residents
- Require resident tracking services
- Guarantee enrollment in newly revitalized schools for children displaced by grant
- Provide former residents with access to community services regardless of their current locations
- Provide improved services to reduce rates of unemployment
CONCLUSION

- While HOPE VI does not provide a one-for-one replacement of all public housing units, revitalization grants in Georgia have met the goals of HOPE VI by:
  - Demolishing distressed units and providing new, high quality public housing
  - Improving areas surrounding the HOPE VI site
  - Decreasing concentrations of very low-income families
  - Incorporating sustainable practices such as new urbanism, walkable streets, and energy efficient home appliances
- By implementing the suggested recommendations, Choice Neighborhoods Initiative has the potential to be a major success
Tattnall Place, Macon City, GA
Ashley Station, Columbus, GA
Villages at Carver, Atlanta, GA

THANK YOU