

# Hope VI Mixed-Income Housing Projects Displace Poor People

By James Tracy

If you have ever lived in or around a public housing development you would probably agree with the stated aim of the federal Housing Opportunities for People Everywhere (HOPE VI) program: Drastic measures are needed to improve the dilapidated buildings and uplift the lives of the people who live in them.

HOPE VI provides grant money from the United States Department of Housing and Urban Development (HUD) to local housing authorities to demolish and reconstruct “distressed” projects. Tenants receive relocation assistance and a portable Section 8 voucher to subsidize their rent in the private market while their public housing developments are demolished—entirely or in part—and reconstructed as mixed-income housing complexes in an attempt to deconcentrate pockets of intense poverty.

In theory, the original tenants are then able to return to their refurbished homes and enjoy a wide range of social and economic programs designed to ease the transition from welfare to work. In reality, what often happens is that the reconstruction is delayed or abandoned altogether, or the “mixed income” residency requirements causes the poorest of the tenants—those most in need of subsidies—to lose their homes.

## A Brief History of HOPE that Isn't

Since 1992, HUD has awarded 446 HOPE VI grants in 166 cities. As of 2006, 78,100 public housing units had been demolished and an additional 10,400 units were slated for redevelopment.<sup>1</sup>

However, a 2004 study by the Urban Institute found that only 21,000 units had been built to replace the 49,828 demolished units. In other words, roughly 42 percent of the demolished public housing had been replaced.<sup>2</sup>

In 1940, President Roosevelt stood in front of Atlanta's Techwood Housing Project, the first complet-

ed federally funded public housing, and said, “Within a very short time people who never before could get a decent roof over their heads will live here in reasonable comfort and healthful, worthwhile surroundings.”<sup>3</sup>

In 1996, despite its special place in history, the Techwood Project was the first to be demolished under HOPE VI to make room for the Olympic village. However, visitors to the Olympics were still able to walk through a virtual reality exhibit of Techwood, but without the annoying presence of its displaced tenants. The original Techwood contained 1100 units—all of them for public housing. Today, only 300 units are available for public housing.

## A HOPE Based on Punishment

Under the Clinton and Bush administrations, Republicans and Democrats have colluded to systematically dismantle what was left of the social welfare system ushered in by the New Deal. Throughout the 1990s, the rhetoric of welfare reform blamed “cultures of poverty” and “concentrations of poverty” for poverty itself. Instead of getting tough on corporate layoffs of thousands of people during peak profit time, Clinton decided to show “tough love” to those most likely to be at the receiving end of structural unemployment.

Of course, it would be a grave mistake to stereotype all public housing residents as welfare recipients because public housing tenants are often some of the hardest working but poorest paid people. In 1999, the median income of families living in public housing was \$6,500, well below a living wage by any

standard. In their essay “Failing, But not Fooling, Public Housing Residents,”<sup>4</sup> authors Jacqueline Leavitt and Mary Ochs point out that both “welfare reform” and “public housing reform,” take a punitive approach to public policy and make false assumptions about the availability of decent-paying jobs and adequate job training. Interestingly, punishment and privatization often seem to go hand-in-hand.

In 1996, President Clinton signed into law a bill designed to accelerate evictions in public housing. Dubbed “One Strike and You’re Out,” it was touted as a way to stop drug trafficking and violent crimes in public housing developments. Since One Strike was a civil procedure, tenants could be evicted even if they were acquitted of criminal charges. In effect, what One Strike did was provide an excuse for eviction based solely on innuendo and allegations of criminal activity. Thankfully, in January 2001, the Ninth Circuit Court of Appeals eliminated those provisions of “One Strike,” which allowed evictions of those who were both innocent and ignorant of the crime for which they were being evicted.

### **Fighting HOPE with Resistance**

In 1996, a small group of residents at a North Beach public housing facility in San Francisco who were concerned about being displaced by HOPE VI decided to fight back. They sought the help of the Eviction Defense Network (EDN), which had previously led a successful campaign to prevent evictions of undocumented residents.

There followed a three-year, door-to-door campaign of organizing and educating the tenants about the dangers of relocating for HOPE VI upgrades without a firm promise of a home to return to. Consequently, more than 60 percent of the tenants signed pledges not to move until they had received real guarantees. The San Francisco Housing Authority (SFHA), fearing that delays and a failure to comply with HUD mandates would cause them to lose \$23 million in HOPE VI money, relented. The tenants were offered an “Exit Contract” with legally binding guarantees, most significant among them: one-for-one replacement of all demolished low-income units and a limited number of reasons for disqualifying a tenant from re-occupancy.

Charged by this modest victory, the tenant activists of North Beach drafted a Public Housing Tenant Protection Act (PHTPA) as a citywide ordinance. Although supported by San Francisco Board Of Supervisors President Tom Ammiano, and passed by the Finance and Labor Committee, the measure was eventually killed by Supervisor Amos Brown.

### **QHWRA: No Hope for the Homeless**

The Quality Housing and Work Responsibility Act (QHWRA) of 1998 mandates that all public housing developments should become “mixed income,” meaning, all new housing units are for those making 30 to 80 percent of the median income. In effect, this makes it virtually impossible to exit homelessness via the public housing system.

Partnerships with the private sector are key in reducing federal government costs for low-income housing. According to HOPE VI proponents, the average annual direct costs are reduced by \$3.9 million for public housing units redeveloped as mixed-income housing.<sup>5</sup> But urban land being at a premium, the HOPE VI process usually results in the privatization of many developments as developers contracted to do the reconstruction generally gain partial ownership (currently estimated at around one billion dollars) of the new housing. So, the poor continue to lose, as corporations, such as McCormack Baron, Sun America, and Bridge Housing Developers make immense profit.

Nationwide, there are now over one million families awaiting subsidized housing (as acknowledged by HUD’s own research) but the federal government continues to cut back on available units.

### **Spatial Deconcentration as Political Diffusion**

The United States Code of Federal Regulations has identified “the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities” and set a goal to “develop new centers of population growth and economic activity.” Its apparent objective is “the reduction of the isolation of income groups within communities and geographical areas and the promotion and increase in the diversity and vitality of neighborhoods through the spatial deconcentration of

housing opportunities of persons of lower income and the revitalization of deteriorating neighborhoods.”<sup>6</sup>

In other words, poverty is a result of poor people living in close proximity to each other—rather than of structural unemployment or the persistence of racism—and “economic integration,” or living close to employed people will set a good example for the poor.

Is spatial deconcentration a progressive solution to poverty or a hideous experiment in social engineering? One obvious effect of spatial deconcentration is the dilution of the political power wielded by concentrated voting blocks. The other is that it makes more difficult any political organizing for the common economic interests of a community.

Author Yolanda Ward traces the theoretical roots of spatial deconcentration to when President Lyndon Johnson established the National Advisory Commission on Civil Disorders commonly known as the Kerner Commission.<sup>7</sup> Inner City riots were frequent in the 1960s. (San Francisco’s largest was in 1966—a community response to the police killing of Matthew Johnson, a 16-year-old African American youth from the Bayview.) The Commission was set up to investigate the origins of 160 disorders in 128 cities in the first nine months of 1967.

The Kerner Commission report, released in 1968, recommended traditional liberal solutions to poverty, such as strengthening the social safety net and increasing job opportunities for inner-city citizens. It also suggested spatial deconcentration as a viable strategy to deter urban uprisings.

Whatever the intentions of its promoters, the end result of spatial deconcentration (supported by the Nixon, Reagan, Bush Sr. and Jr., and Clinton administrations) has been the political demobilization of the oppressed as poor residents are scattered to the suburbs.



## Pushing the Poor Out of Town

Urban Habitat studies published in the 1990s track the deconcentration process in the Bay Area where displaced low-income residents generally are dispersed to the rim cities of Antioch, Vallejo, San Pablo, Dixon, El Cerrito, and Vacaville. In each of these areas, the number of available jobs exceeds the population. Some, like Vallejo and Alameda, have suffered high unemployment rates as a

result of military base closures. So, public housing transplants to these areas often have to commute to the metropolitan areas to find low-wage work.

Overt political racism is another issue that gentrification refugees have to face in the rim cities. A case in point is the early morning raid conducted by a Vallejo city taskforce on the federally subsidized but privately owned Marina Green development in 1997. Over 60 families were roused from their beds and forced to watch as officers ransacked their apartments for no apparent reason other than that they all received welfare.

The irony of federal housing policy “reform” is that it uses a progressive critique to accomplish completely conservative aims. The HOPE VI program argues against warehousing the poor in substandard areas and many housing authorities actually have self-sufficiency programs for their residents to prepare for gainful employment. However, by abolishing the requirement that demolished public housing units be replaced on a one-for-one basis and cutting funding, Congress has effectively given the federal government an exit strategy out of the public housing business.

As the nationwide housing crisis intensifies and the nation teeters on the brink of a recession, we are faced with the type of economic and political conditions that existed during the Great Depression. We can only hope that they will lead to a re-emergence of some of the more enlightened and progressive social programs of that era.

Photo:

Bop City was a popular jazz club in the heyday of the Fillmore.

Courtesy of San Francisco History Center, San Francisco Public Library.



### Urban Removal: Legacy of Destruction

The term “urban removal” refers explicitly to the government-financed-and-facilitated destruction of inner-city housing. In the case of HOPE VI, the destruction is of government-owned developments but in some cases, the government also seized private property and removed entire communities.

The Western Addition or Fillmore District of San Francisco is ground zero in the history of urban removal. The first removal in that area occurred with the internment of Japanese-American citizens during World War II. The area was then populated by Blacks who were aggressively recruited from the southern states to work in the Bay Area building war machines. During the war years, Blacks not only enjoyed a degree of economic prosperity, the neighborhood became a center for jazz, blues, and the arts. But when the war ended, the government started a propaganda campaign against the Fillmore, branding it “blighted.” Given the relative prosperity of the Fillmore at the time, the notion of “blight” had little to do with decrepit conditions, but everything to do with racist assumptions and developer profit.

The urban renewal legislation passed by Congress in 1949 and 1954 conferred Redevelopment Agencies with the power to condemn entire city blocks and evict residents, be they renters or owners. The process of eminent domain proved devastating to the roughly 17,000 people displaced during both phases of the project.

Before urban removal, a large portion of Blacks owned their own homes. Joyce Miller was nine years old when her family was forced to leave their home under the threat of eminent domain. “They offered the families some money, usually less than what the place was worth,” Miller recalls. “They told you that if you didn’t accept, they would take your home anyhow.”

Although Miller’s family found housing not far from their former home, other residents were not as lucky. “The realtors made sure that if you stayed in San Francisco, you went only to the Ingleside District or the Bayview,” she says. “Everyone else was pushed out of the city.” ■

### Endnotes

1. Turner, et al. *Estimating the Public Costs and Benefits of HOPE VI Investments: Methodological Report*. The Urban Institute, June 2007.
2. Popkin, et al. *A DECADE OF HOPE VI: Research Findings and Policy Challenges*. The Urban Institute and The Brookings Institution. May, 2004.
3. *Dedication of Techwood Homes*. Archives of Carl Vinson Institute of Government, University of Georgia, Atlanta. Nov. 29, 1935. <http://www.cviog.uga.edu/Projects/gainfo/FDRspeeches/FDRspeech35-2.htm>
4. Leavitt, Jacqueline and Ochs, Mary. *Failing, but not Fooling, Public Housing Residents*, The Ralph and Goldy Lewis Center for Regional Policy Studies Working Paper Series, University of California, Los Angeles. 1998.
5. Turner, et al. *Estimating the Public Costs and Benefits of HOPE VI Investments: Methodological Report*. The Urban Institute, June 2007.
6. Title 42, Chapter 69 Sec. 5301. *Congressional findings and declaration of purpose Section 101 of the Act*. <http://www.hud.gov/offices/cpd/communitydevelopment/rulesandregs/laws/sec5301.cfm>
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Photo:

Fillmore before redevelopment.

Courtesy of San Francisco History Center, San Francisco Public Library.

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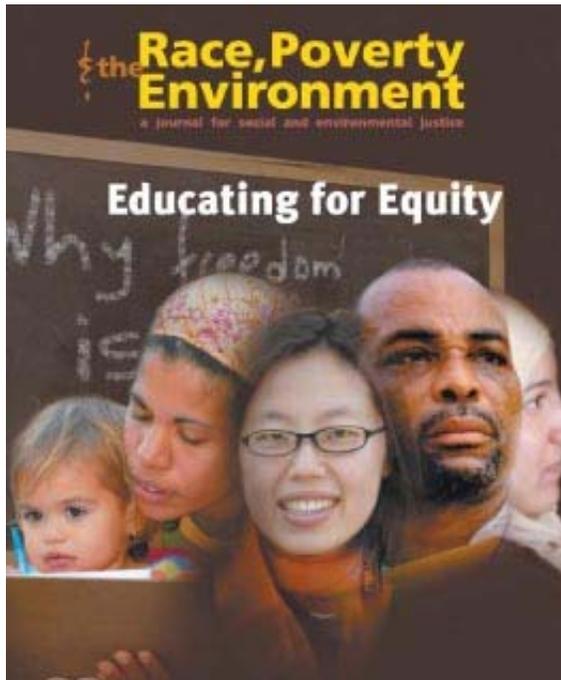
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