



San Francisco's New Model for Mixed-Income Housing: HOPE SF

By Naomi Cytron

Ambitious plans are afoot to revitalize the City of San Francisco's oldest and most deteriorated public housing sites. Through the city's new HOPE SF program, 2,500 units of distressed public housing will be rebuilt as components of new mixed-income developments. This is not your ordinary public housing rehabilitation plan, though; nearly every city agency is involved in an effort to integrate investments in housing with those in educational and supportive services for current and future residents.

Over the past decade, five public housing complexes in San Francisco were redeveloped using HOPEVI funding (see "The HOPE VI Program" sidebar), but the declining availability of federal funding for both maintaining and rebuilding public housing prompted the city's leadership to think more creatively about how to finance revitalization of the remaining portfolio of public housing units. HOPE SF, initiated by Mayor Gavin Newsom in 2006, was born out of that process. HOPE SF is distinguished by its guiding principles, which seek to reduce the reliance upon dwindling HOPE VI funds, and in essence tackle many of the

critiques of HOPE VI head-on. Drafted by a taskforce of residents, advocates, and government representatives, the HOPE SF Principles hold that the redeveloped sites will provide one-for-one replacement of the existing public housing units, and will ultimately situate those units in economically diverse neighborhood contexts. HOPE SF's reconfigured financing structure, which draws on a cross-subsidy concept, enables the redevelopment of housing along a spectrum of affordability. Under the plan, sites will be redeveloped with higher densities of housing; the new mix of housing will include market rate housing units and low-income rental units in addition to the replacement public housing units. Instead of financing the redevelopment of public housing with a heavy reliance on federal subsidies, local support as well as proceeds from the sale of market rate units will provide the significant financing required to implement these projects. Reflecting the opportunity that city leaders saw to tackle not only deteriorated physical conditions at public housing sites, but social conditions as well, the principles also emphasize enhancements in local educational and workforce

training opportunities as housing and other neighborhood amenities are rebuilt. In addition, the principles prioritize improved measures to engage residents in a variety of ways throughout the planning and implementation of redevelopment. Community building and environmental sustainability are other core emphases.

Physical Redevelopment

HOPE SF will eventually rebuild eight public housing sites around the city. The pilot site that will undergo transformation is Hunters View, a project that was built in 1956 on the site of former naval barracks. The San Francisco Housing Authority notes that Hunters View “displays many of the classic shortcomings of distressed public housing in the United States: poor site planning, indefensible open space, isolation from the surrounding community, and chronic underfunding of operations and maintenance.”³ Indeed, Hunters View is now far beyond its lifespan—in 2007, federal inspectors rated it one of the worst in the country, characterized by decrepit and dangerous conditions.⁴ The city was rejected three times for HOPE VI funding to rebuild the project, and until HOPE SF, the Housing Authority had no capacity to address the deteriorated conditions at the site.

Through HOPE SF, the 22 acre site at Hunters View will be “rebuilt from the ground up,” said Jack Gardner, presi-

dent of the John Stewart Company, the lead developer for the site. Though the architectural plans are still schematic, the plans call for the 267 public housing units currently on-site—of which a little more than half are currently occupied—to be rebuilt among another 400-500 units of affordable and market rate rental and for-sale housing. This will effectively create a housing ladder in a mixed-income neighborhood, and will generate residential density that is more consistent with other neighborhoods in San Francisco. In addition to housing, the site plans include a number of community amenities, such as parks, open spaces, and sites for community-serving small businesses. Flexible spaces are also being built into the plans that can change uses over the years depending on residents’ needs. Erin Carson of the San Francisco Redevelopment Agency noted that the programming in these spaces will ultimately take shape as residents have a chance to weigh in on their interests, which may include senior services, day care, after-school programming, or other uses.

The physical plans are being designed with an eye toward creating a new sense of connection to the city at large. “Historically, public housing has been not just economically isolating, but physically isolating as well. The new site will be designed to help residents feel that they are part of a street, a neighborhood, and the city,” said Gardner. “It will include fundamental design ele-

The HOPE VI Program

HOPE SF is modeled to some extent on the federal HOPE VI program, which aims to improve the living conditions within and surrounding troubled public housing developments. Since the early 1990s, HOPE VI has provided funds to demolish or rehabilitate distressed projects and rebuild them using new building configurations, design standards, and residential densities. A core element of the program is that it encourages the development of mixed-income communities in areas previously characterized by extreme concentrations of poverty; many HOPE VI sites now include affordable housing for households at a variety of income levels, and at some sites, market rate units have been developed alongside those that are deeply subsidized for low-income tenants. Additionally, in an effort to help reshape the social and economic opportunities for low-income residents, the program supports enhancements in supportive services and neighborhood amenities in addition to the “bricks and sticks” aspects of redevelopment.

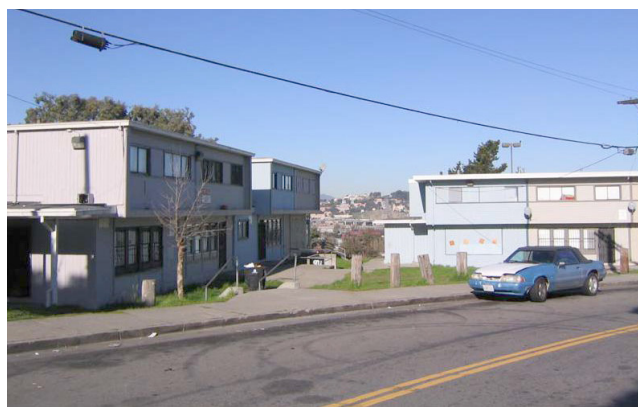
Over \$6 billion has been allocated through HOPE VI toward the revitalization of nearly 600 distressed complexes around the nation. Many sites have seen marked improvements across a range of quality-of-life indicators, including health, education, employment and safety, and have acted as catalysts for a range of neighborhood investments.¹ However, the program has suffered from some political opposition—annual appropriations for the program were cut back significantly during the Bush Administration, with the 2008 budget for the program just under \$98 million, down from a peak of \$612 million in 1999²—and the program has some widely cited flaws. Chief among them are that relocation programs for original tenants of public housing have not adequately supported residential transitions and returns to rebuilt units, that it has resulted in a net loss of units for low-income households, and that residents have not necessarily seen significant opportunities for socio-economic advancement. In addition, difficulties have also arisen due to inadequate resident engagement in the planning process for revitalization.

ments that the site currently lacks—streets that lead places, units that are positioned to offer views that orient residents to surroundings.” The new infrastructure in the neighborhood will include a new street grid that connects with the city-wide grid, as well as stairways, paths and ramps that allow for easier pedestrian access around the neighborhood. In addition, public safety concerns will be addressed through improved positioning of buildings and open spaces, as well as enhanced lighting, security cameras, and emergency systems.

Supporting Transitions and Enhancing Opportunity

During typical redevelopment projects, those residing in public housing slated for demolition are relocated offsite for the duration of construction, and those who qualify are given the option to move back to the new site once it is complete. A unique aspect of HOPE SF is the commitment to house residents from public housing units onsite during the redevelopment process, and to help ensure that the maximum number of current residents can qualify for a new unit. A number of elements had to be coordinated to make this possible. First, a phased tear-down plan was developed; under this plan, units in a sector of Hunters View slated for the second phase of reconstruction were rehabbed in preparation for move-in by residents living in buildings slated for the first phase of demolition. Residents are moving into rehabbed units beginning this summer, and will then be able to move into brand new units once construction is complete. However, in order to qualify for onsite relocation and the right to a revitalized unit, residents have to be current on rent and not in violation of other lease provisions. Kaila Price of the Mayor’s Office of Housing noted that in conducting assessments of current residents, they discovered that this requirement would effectively prohibit approximately 70 percent of current residents from accessing new units. “We realized that we were on the verge of creating a terrible policy situation,” she said. In order to help those not in good standing on their lease, the Mayor’s Office of Housing, in cooperation with the Human Services Agency and Communities of Opportunity, initiated a Rent Assistance Program. Through this program, residents can get connected to existing eviction prevention programs to catch up on rental payments and create plans for staying current, thereby ensuring that they qualify for a new unit. Price noted that the relocation plan, which was drafted with significant resident input and collaboration, is geared overall toward minimizing the disruptions in residents’ lives and helping to retain continuity of community in the midst of large-scale neighborhood transformation.

While the relocation plan required the coordination of existing programs, other aspects of the community engagement and service provision plans necessitated the creation of supplemental programs. For instance, the de-



*Current housing units at Hunters View
Photo courtesy of John Stewart Company*

velopment team initially aimed to involve residents in a master planning process for the neighborhood. But they discovered early on that on a number of levels, residents were not prepared to substantively participate in the process. “When families are worried about possibly being evicted for late payment of rent, or are struggling with violence or drugs or otherwise traumatizing conditions, questions about design are not yet relevant,” said Gardner. On top of the challenges arising from dealing with difficult living conditions, another obstacle arose due to residents’ inexperience with seemingly arcane neighborhood planning processes, meaning that many were unfamiliar with and frustrated by development jargon and the various roles played by the slew of agencies involved.

The Mayor’s Office of Housing stepped in to create a number of programs to equip residents with the skills and knowledge to better participate in the planning process, and to ultimately help position residents to take advantage of the opportunities that redevelopment will offer. The HOPE SF Leadership Academy was established in collaboration with the San Francisco Housing Authority to deliver a curriculum on housing development and neighborhood revitalization to residents of all neighborhoods that will be eventually transformed under HOPE SF. Students of the Academy will be able to more effectively provide input on policy and program development, and will gain skills to serve as community leaders and liaisons. A Service Connection Program was also established to help stabilize troubled households. Through this program, “Service Connectors” have reached out to all families currently living at Hunters View to assess needs, and are working to develop support plans tailored to individual goals and interests. These plans can include a range of interventions, from basic crisis mitigation and case management to helping residents gain access to job training programs and tools that can help lower barriers to employment, including basic skills development and courses to complete a GED and get a driver’s license. “We want to make sure that residents are as prepared as they can be, and are lined up

The Impact of the Crisis

The unique financing structure for Hunter's View, which incorporates cross-subsidies from the sale of market rate units as well as funding from a number of private and public sources, would have been complicated in normal circumstances. But the current economic crisis—the credit crunch, the collapse in Low Income Housing Tax Credit pricing, uncertainty in the housing market, and California's ongoing budget crisis – has generated significant challenges, noted Gardner. Due to pull-backs both from home buyers and lenders, for instance, adjustments were made to development plans to delay the construction of for-sale units, thereby allowing for recovery in the housing market. Meanwhile, the project has received support through federal Recovery Act funding and the state's Multifamily Housing and Infill Infrastructure Grant Programs, and it is anticipated that both infrastructure improvements and the development of replacement public housing and additional affordable housing units will continue on schedule.

for any and all services they need to be able to succeed as the communities are revitalized," said Price.

Educational and recreational opportunities for youth will also be reshaped through HOPE SF. The Mayor's Office is working with the San Francisco Unified School District to tackle physical planning of local schools as well as the other issues that need to be addressed to both improve student and school performance and make sure that students fare well during the redevelopment processes at all HOPE SF sites. Additionally, University of California at Berkeley's Center for Cities and Schools has been enlisted to make recommendations for enhancing Malcolm X Academy, the elementary school adjacent to Hunters View. "The aim is take a more comprehensive approach to neighborhood and community turnaround, starting with the local school," said Gardner. The development team also hopes to reconfigure the nearby Hunters Point Youth Park as a community and educational complex that would host a diverse set of recreational and supportive service programs.

Coordinating and Sustaining Momentum

The range of both physical and social service transformations occurring through HOPE SF entails the involvement of a panoply of city agencies—the Housing Authority, the Redevelopment Agency, the Department of Public Works, the Public Utilities Commission, the Department

of Children, Youth and Families, SF Unified School District, as well as the Mayor's Offices of Housing, Community Investment, and Economic and Workforce Development, to name just a few. In addition, each site has its own development team with nonprofit partners. Needless to say, coordinating the activities of this many players is complicated. Critical here was the lead taken by the Mayor to achieve horizontal integration of a number of city agencies in working to revitalize the HOPE SF sites. In other words, rather than just viewing redevelopment of public housing as a siloed Housing Authority issue, the Mayor saw redevelopment as the responsibility of nearly every agency in the city. "The mayor upped the ante in shaping this as a collective initiative," said Carson. "It's complex and ambitious, but is a much-needed approach."

An interagency council has been established to convene several times a month to work on coordinating the service provision and human capital development programs for populations residing in neighborhoods where public housing is concentrated. "The coordination is making a huge difference in service delivery," said Price. "It's very exciting and promising, and gives me hope that these processes and programs will be sustainable through political and economic changes."

While continued cooperation will be an important ingredient for sustaining momentum and generating positive outcomes from the program, ongoing flexibility to adjust programs as needed will be an equally significant contributor to success. Price noted that while the city has drawn on national best practices in shaping the program, they are learning at every turn and are making continual adjustments to account for local political and economic conditions. "We are learning as we go along—and with the next three HOPE SF sites, we will be entering into a 20-year process with the program, so we'll have plenty of time to learn lessons and change the ways we are doing business," she said.

Conclusion

While still a work in progress, it is clear is that HOPE SF is taking a promising approach to changing the landscape of public housing in linking physical redevelopment with substantial investments in human capital development. The labors thus far point to a concerted effort to reduce the isolation and dearth of opportunity that have characterized public housing in recent years, and to build the abilities of residents to shape and take advantage of the possibilities that will emerge as redevelopment progresses. "The aim is to break negative cycles that have occurred over generations," said Gardner. "We hope to catalyze changes that will both stabilize residents in the near term and generate a profound transformation in their lives over the long term." **CI**