



PRESERVATION OF AFFORDABLE HOUSING



HUD's Choice Program Will Transform Neighborhoods

By Amy Anthony, President of Preservation of Affordable Housing

Building on the successes of the **HOPE VI** program and addressing many of the program's critiques, **HUD's Choice Neighborhoods Initiative** is an important new direction in federal housing policy. The **Choice Neighborhoods Initiative** has tremendous potential to leverage new private and public sector collaborations to transform pockets of entrenched poverty into viable and sustainable mixed-income neighborhoods.

The **HOPE VI** program, used for many years to revitalize the most distressed public housing communities, recognized that sometimes, large, subsidized housing communities are barriers to neighborhood stability and economic growth. The **HOPE VI** program also recognized that partnerships between municipalities, non-profits and for profit developers can attract greater levels of private investment into these neighborhoods and unleash new business and real estate possibilities.

The **Choice Neighborhood Initiative** builds on this foundation, and recognizes that the transformation of areas of concentrated poverty requires a multi-pronged approach that addresses not only distressed housing but the root causes of neighborhood poverty – poor educational options, social isolation, uncoordinated service delivery, unmanaged chronic health conditions, violence, deteriorated infrastructure and poor economic opportunities. **Choice Neighborhoods** also recognizes that distressed **Section 8** housing, as well as public housing, can drag a community down. **Choice Neighborhoods** encourages a team of neighborhood stakeholders to address the totality of a community's needs.

The **Choice Neighborhoods Initiative** is currently a demonstration program, funded for the first time in 2010, through the appropriations process. Authorizing legislation is currently being prepared in both Houses of Congress, and **POAH** strongly encourages housing advocates to support both the authorizing legislation and continued and expanded funding for the Initiative.

POAH is fortunate to have been selected as one of six finalists, out of a pool of 42 applicants, for the first round of **Choice Neighborhoods Implementation Grants**. The **POAH** proposal, focused on our **Grove Parc Plaza** community in **Chicago's South Side**, illustrates the power of this approach.

While **POAH** had been pursuing a revitalization of the property prior to the creation of this initiative, we convened a team of partners ranging from the **City of Chicago** (our co-applicant) to service providers such as **Jane Addams Hull House**, to educational reformers such as the **Woodlawn Children's Promise Community** and the **University of Chicago Urban Education Initiative** and to community visionaries, such as our colleagues at the **LISC-funded Woodlawn New Communities Program**. The team has proposed a Transformation Plan that harnesses the community's existing resources for family and neighborhood development.

The plan's foundation is to provide a mix of housing affordable to households at all income levels, both on the original housing site and in the surrounding community. Through a collaborative planning process with residents and community stakeholders, **POAH** developed a strategy that calls for preserving the previous number of **Section 8** units but within a healthier mixed-income context.

The **Section 8** contract will be reapportioned so that, in contrast to 504 concentrated subsidized units on the old **Grove Parc** site, the new developments will offer two hundred **Section 8** units in newly constructed on-site buildings plus 178 more throughout the neighborhood in buildings which are currently vacant or abandoned. Additionally, 126 **Section 8** units will be created in the **Woodlawn** neighborhood or in other parts of **Chicago**.

Taking into account that this neighborhood is conveniently-located around **the University of Chicago's South Campus**, there is great potential for a mixed income residential neighborhood. **POAH** will build 617 units intended for moderate-income and market rate renters bringing the total to 1,121 homes to be provided under the Plan. The Plan encourages small neighborhood-based developers to transform the smaller vacant properties.

The **Choice Neighborhoods Initiative** builds on this housing and real estate foundation by seeking a robust strategy addressing neighborhood and individual needs, cracking the programmatic silos so common in federal policy. Household supports, health and wellness programs, education, workforce development and employment, youth and safety programs, commercial infrastructure, streetscape improvements and even digital access – these are the fundamentals that will ensure individual and community success. Again, the **POAH** proposal illustrates the **Choice Neighborhoods** strategy of integrating currently existing assets and supplementing them with new resources.

A new resource center will serve as a portal for residents to connect to the community's social service agencies. A new satellite office of the **LISC-sponsored Center for Working Families**, case managers from **Hull House** and educational advocates associated with the **Promise Community** will cross-train and coordinate their intake and case management efforts.

The anchor organizations will offer financial and life coaching, intensive case management, service coordination, educational and career coaching, financial self-sufficiency programs, access to educational programs from early childhood through secondary education and more. The resource center can also be a conduit to the **University of Chicago's** job training and local hiring programs, a rich and underutilized resource offered by the largest employer on the South Side.

The **Choice Transformation Plan** is also intimately integrated with the neighborhood's **Quality of Life Plan**, which emphasizes community health, economic development and the commercial and physical infrastructure across the community. **Choice** funding can create the services to achieve these goals including anti-violence initiatives, recreational opportunities and health services.

Choice also offers funding to restore the historically vibrant **63rd Street and Cottage Grove** commercial and retail corridors which are so critical to the community's success by helping to reverse the high commercial vacancy rates and the concentration of predatory retail outlets which force **Woodlawn** residents to do 70% of their shopping outside the community. With viable local options, \$160 million in consumer spending which currently flows out of **Woodlawn** every year could be recaptured to support local businesses and local jobs. New consumer markets can be created among the **University of Chicago** staff and student population of the South Campus already located in the **Woodlawn** community.

The **Choice Neighborhood Initiative** is rooted in the community partnerships necessary for a neighborhood's success and the **Choice Neighborhood Initiative Implementation Grant** has the potential to leverage new and existing resources towards community revitalization. The **Choice Neighborhoods Initiative** recognizes that it doesn't matter to the individual whether he or she is living in public housing or private, assisted housing if the property has been severely distressed for decades. We are already seeing the wider and deeper changes to poor neighborhoods made possible through community partnerships. The **Choice** program will allow for many more kinds of collaborations and for many more communities to share in the successes.