

HOPE VI PROGRAM

Magnolia Gardens
Beaumont Housing Authority

Resident Meeting

Meeting #1

May 9, 2006
6:00 PM

AGENDA

- I. Welcome and Introductions
Robert Reyna, BHA Executive Director

- II. Overview of HOPE VI Planning Process
Scott Jepsen, Abt Associates
 - HOPE VI Program and Planning Process
 - Resident Participation in Planning Process

- III. Key HOPE VI Concepts
Scott Jepsen, Abt Associates
 - Relocation/Demolition
 - Mixed-Income
 - Rental and Homeownership
 - Community and Supportive Services

- IV. Goals, Opportunities, and Vision

- V. Questions and Answers
Abt Associates/BHA
 - Questions Regarding the Presentations
 - Next Steps

Overview of the HOPE VI Program

History of the Program

- 1989 Congress authorizes establishment of National Commission on Severely Distressed Public Housing (NCSDPH)
- NCSDPH assesses problems of distressed housing + prepares National Action Plan
- 1993 first Appropriations Act (80% 'brick and mortar'; 20% supportive services)
- Major HUD initiative with no implementing regulations
- Emphasis on local decision-making, neighborhood revitalization, and homeownership
- To date, more than \$5.7 billion appropriated (235 grants to 122 PHAs in 36 states)

Key Objectives

- Improve the living environment for residents of severely distressed public housing
- Revitalize public housing sites and contribute to improving the surrounding community
- Decrease the concentration of very low-income families
- Establish support services to help residents attain self-sufficiency; build sustainable communities

HOPE VI 'Themes'

- 1993 – Major rehabilitation and extensive on-site services
- 1994 – HOPE VI Plus/mixed-finance
- 1995 – Campus of Learners
- 1996 – New Urbanism/neighborhood reinvestment
- 1997 – Welfare-to-Work
- 1998 – Partnerships/leveraging
 - FY 1993 – Each HOPE VI dollar leverages \$0.31 of other funds*
 - FY 1998 – Each HOPE VI dollar leverages \$2.28 of other funds*
- 1999- Partnerships/leveraging and results-oriented self-sufficiency programs
- 2000- Leveraging, case management, and evaluation of results
- 2001- Leveraging, case management and coordination with cities
- 2002- Leveraging, readiness to proceed
- 2003- Results-oriented and need-based CSS program, feasible project schedule
- 2006

HOPE VI Emphasis in 2003

- Capacity of partners (deduction for previous HOPE VI grantees that are not on agreed upon development schedule)
- Maximize leveraging of HOPE VI dollars
- Create mixed-income communities (35% public housing)
- Project readiness (developer selected, site vacated & demolished, zoning in place)
- Create coordinated case management system for all residents of the HOPE VI site that is ready to proceed upon grant award

Highlights of 2006 HOPE VI Requirements

Severe Distress

Targeted development must be severely distressed

- Requires major redesign, reconstruction, or redevelopment, or partial or total demolition for the following reasons:
 - Serious deficiencies in original design including inappropriately high population density, indefensible space, and isolation
 - Physical deterioration or obsolescence of major systems
 - Deficiencies in the structural composition of the buildings
 - Presence of serious environmental hazards (asbestos, lead based paint, mold)
- Significantly contributes to the physical decline of and disinvestment in the surrounding neighborhood
- Occupied predominantly by very low-income families who are unemployed and dependent on public assistance
- Experiences high rates of vandalism and criminal activity
- Costs more to revitalize the development than to demolish the site and relocate current residents into private housing with a Housing Choice Voucher

Appropriateness

- Proposed redevelopment activities must be appropriate in the context of the local housing market

Resident and Local Participation

- Must hold three (3) public meetings with residents and the broader community that cover the following topics:
 - HOPE VI planning and implementation process
 - Proposed physical plan
 - Extent of demolition
 - Planned community and supportive services activities
 - Other proposed revitalization activities
 - Relocation
 - Reoccupancy plans and policies
 - Section 3 and employment opportunities
- Must conduct a training session for residents of the current development that addresses issues they are concerned with

Program Mix Options

Overview

- Number of units and types of units developed and their affordability levels are dependent upon the availability and source of funds
- HOPE VI funds can ONLY be used to develop public housing rental units or affordable homeownership units that are sold to public housing eligible families
- Income eligibility levels are based upon the Area Median Income (AMI) published annually by HUD
- The 2005 AMI for Beaumont-Port Arthur is \$49,100

Types of Units

Type	Income Level	Sample Funding Sources
Public Housing Rental	\$0 - \$39,280 (0% - 80% AMI)	HOPE VI, City
Public Housing with Tax Credit Rental	\$0 - \$29,460 (0% - 60% AMI)	HOPE VI, City, LIHTC
Tax Credit Rental	\$24,550 - \$29,460 (50% - 60% AMI)	City, LIHTC
Market Rate Rental	Unrestricted	Mortgage, City
Affordable Homeownership	\$0 - \$39,280 (0% - 80% AMI)	HOPE VI, Downpayment, Mortgage, Trust Funds, City
Market Rate Homeownership	Unrestricted	Downpayment, Mortgage, Trust Funds, City

Community and Supportive Services (CSS)

Key Objectives

- Develop a Community and Supportive Services (CSS) Plan that meets the needs of former and future residents of the site, promotes self-sufficiency and independence, and enhances their quality of life; CSS Plan must be developed in response to a rigorous Needs Assessment.
- Forge broad-based partnerships with local partners to leverage resources in support of the HOPE VI CSS program.

CSS Process

- Determine resident needs and identify gaps in service
 - Existing demographic information on former residents
 - Resident Survey
 - Focus Groups
 - Information collected from local service providers
- Identify existing community assets
- Identify and secure commitments from partners that will work with PHA to meet the needs of residents
- Design CSS Program with input from key local stakeholders and former residents

CSS Program Elements

- Comprehensive case management that will begin immediately upon grant award
- Targeted services for each segment of the population – elderly, adults and children
- Services may include employment training, adult education, computer literacy, homeownership counseling, health services, childcare and after school programs
- Neighborhood Network Center

CSS Advisory Committee Activities

- Provide input on the resident/community needs, services available, partnering options, program structure
- Ensure program is coordinated with Welfare to Work
- Assist in developing Goals and Objectives of the Program
- Provide sources of leveraged funds
- Review CSS Plan before submission to HUD