



Highlights of [GAO-04-109](#), a report to Ranking Minority Member, Subcommittee on Housing and Transportation, Committee on Banking, Housing, and Urban Affairs, U.S. Senate

Why GAO Did This Study

Congress established the HOPE VI program in 1992 to revitalize severely distressed public housing by demolition, rehabilitation, or replacement of sites. In fiscal years 1993–2001, the Department of Housing and Urban Development (HUD) awarded approximately \$4.5 billion for 165 HOPE VI revitalization grants to public housing authorities (grantees). GAO was asked to examine (1) the types of housing to which the original residents of HOPE VI sites were relocated and the number of original residents that grantees expect to return to the revitalized sites, (2) how the fiscal year 1996 grantees have involved residents in the HOPE VI process, and (3) how the neighborhoods surrounding the 20 sites that received HOPE VI grants in fiscal year 1996 have changed.

PUBLIC HOUSING

HOPE VI Resident Issues and Changes in Neighborhoods Surrounding Grant Sites

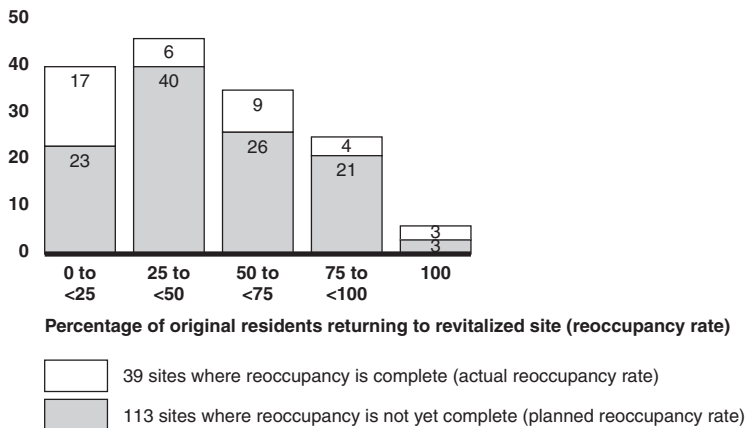
What GAO Found

The largest percentage of the approximately 49,000 residents that had been relocated from HOPE VI sites, as of June 30, 2003, were relocated to other public housing, and about half were expected to return to the revitalized sites. Although grantees, overall, expected 46 percent of relocated residents to return, the percentage of original residents that were expected to return (or the reoccupancy rate) varied greatly from site to site.

The level of resident involvement in the HOPE VI process varied at the 1996 sites. While all of the 1996 grantees held meetings to inform residents about revitalization plans and solicit their input, some took additional steps to involve residents. For example, in Tucson, the housing authority submitted the revitalization plan for the Connie Chambers site to the city council for approval only after the residents had voted to approve it.

The neighborhoods in which 1996 HOPE VI sites are located generally have experienced improvements in indicators such as education, income, and housing, although GAO could not determine the extent to which the HOPE VI program contributed to these changes. In a comparison of four 1996 HOPE VI neighborhoods to four comparable neighborhoods, mortgage lending activity increased to a greater extent in three of the HOPE VI neighborhoods. But, a comparison of other variables (such as education and new construction) produced inconsistent results, with HOPE VI neighborhoods experiencing both greater positive and negative changes than comparable neighborhoods.

Planned and Actual Reoccupancy at HOPE VI Sites
Number of HOPE VI sites



Source: GAO.

www.gao.gov/cgi-bin/getrpt?GAO-04-109.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David G. Wood at (202) 512-8678 or woodd@gao.gov.

Note: This figure is based on GAO analysis of data from HUD’s HOPE VI reporting system (as of June 30, 2003). We excluded 10 of the 165 sites from our analysis because they did not involve relocation and an additional 3 sites because the reoccupancy data reported as of June 30, 2003 was incorrect.