The Uncharted, Uncertain Future of HOPE VI Redevelopments


Metropolitan Housing and Communities Center

THE UNCHARTED, UNCERTAIN FUTURE OF HOPE VI REDEVELOPMENTS

THE CASE FOR ASSESSING PROJECT SUSTAINABILITY

Martin D. Abravanel
Diane K. Levy
THE URBAN INSTITUTE

Margaret McFarland
UNIVERSITY OF MARYLAND
GRADUATE PROGRAMS IN REAL ESTATE DEVELOPMENT

WITH SUPPORT FROM
THE JOHN D. AND CATHERINE T. MACARTHUR FOUNDATION

July 2009

Urban Institute — a nonpartisan economic and social policy research organization

HOPE VI supports demolishing large, dilapidated public housing and replacing it with smaller-scale, more appealing properties. What makes this feasible (mixed financing; private-sector entities; and mixed-income, mixed-tenure complexes) also creates conditions that challenge and can undermine long-term sustainability. Sustainability has not yet been assessed, and whether it should or can be assessed has been questioned. With input from housing practitioners and insight from a trial exploration of two HOPE VI redevelopments, this report demonstrates the need for, and feasibility of, conducting an assessment that can assist both private owners and public agencies in sustaining this valuable resource.

— *Excerpt from the report.*

www.urban.org/publications/411935.html

AUTHORS

MARTIN D. ABRAVANEL, DIANE K. LEVY, MARGARET MCFARLAND

Job Sprawl Revisited: The Changing Geography of Metropolitan Employment

The movement of people and jobs away from city centers into increasingly distant suburbs represents a longstanding trend in metropolitan America. The ongoing decentralization of population and employment has implications for the overall health and productivity of metro areas across the country. This paper explores recent trends in the spatial distribution of employment in 98 of the nation's largest metropolitan areas and how those trends differ across major industries.

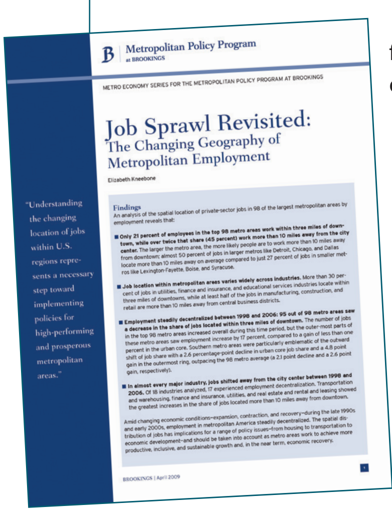
ORGANIZATION

THE BROOKINGS INSTITUTION

Jobs may be decentralized within a metro area for a variety of reasons, and can signal very different development patterns. When decentralization occurs, the changing location of employment is inextricably linked to a range of policy issues critical to a metro area's success. From transportation to workforce development to regional innovation and the provision of social services, the spatial distribution of a metro area's jobs can ultimately influence its economic productivity, environmental sustainability, and social inclusion and equity.

— *Excerpt from the report.*

www.brookings.edu/reports/2009/0406_job_sprawl_kneebone.aspx


Metropolitan Policy Program at BROOKINGS

METRO ECONOMY SERIES FOR THE METROPOLITAN POLICY PROGRAM AT BROOKINGS

Job Sprawl Revisited: The Changing Geography of Metropolitan Employment

Elizabeth Kneebone

"Understanding the changing location of jobs within U.S. regions represents a necessary step toward implementing policies for high-performing and prosperous metropolitan areas."

Findings

An analysis of the spatial location of private-sector jobs in 98 of the largest metropolitan areas by employment reveals that:

- **Only 21 percent of employees in the top 98 metro areas work within three miles of downtown, while over twice that share (45 percent) work more than 10 miles away from the city center.** The larger the metro area, the more likely people are to work more than 10 miles away from downtown; almost 50 percent of jobs in larger metros like Detroit, Chicago, and Dallas locate more than 10 miles away on average compared to just 27 percent of jobs in smaller metros like Lexington-Fayette, Boise, and Syracuse.
- **Job location within metropolitan areas varies widely across industries.** More than 30 percent of jobs in utilities, finance and insurance, and educational services industries locate within three miles of downtowns, while at least half of the jobs in manufacturing, construction, and retail are more than 10 miles away from central business districts.
- **Employment steadily decentralized between 1998 and 2006: 95 out of 98 metro areas saw a decrease in the share of jobs located within three miles of downtown.** The number of jobs in the top 98 metro areas increased overall during this time period, but the outer-most parts of these metro areas saw employment increase by 17 percent, compared to a gain of less than one percent in the urban core. Southern metro areas were particularly emblematic of the outward shift of job share with a 2.6 percentage-point decline in urban core job share and a 4.8 point gain in the outermost ring, outpacing the 98 metro average (a 2.1 point decline and a 2.6 point gain, respectively).
- **In almost every major industry, jobs shifted away from the city center between 1998 and 2006.** Of 18 industries analyzed, 17 experienced employment decentralization. Transportation and warehousing, finance and insurance, utilities, and real estate and rental and leasing showed the greatest increases in the share of jobs located more than 10 miles away from downtown.

Amid changing economic conditions—expansion, contraction, and recovery—during the late 1990s and early 2000s, employment in metropolitan America steadily decentralized. The spatial distribution of jobs has implications for a range of policy issues—from housing to transportation to economic development—and should be taken into account as metro areas work to achieve more productive, inclusive, and sustainable growth and, in the near term, economic recovery.

BROOKINGS | April 2009

1

Why Don't Lenders Renegotiate More Home Mortgages? Redefaults, Self-Cures, and Securitization

Many commentators have attributed the severity of the 2007–2009 foreclosure crisis in the United States to the unwillingness of lenders to renegotiate mortgages. Every major policy action to date has involved encouraging lenders, in one way or another, to renegotiate loan terms in order to reduce borrower debt loads.

ORGANIZATION

THE FEDERAL RESERVE BANK OF BOSTON

The key to the appeal of renegotiation is the belief that it can benefit the lender, the borrower, and possibly society. According to proponents, renegotiation of home mortgages is a type of public policy "holy grail," in that it helps both borrowers and lenders at little or no cost to the government.

— *Excerpt from the report.*

www.bos.frb.org/economic/ppdp/2009/ppdp0904.pdf

Washington-Area Nonprofit Operating Reserves

Operating reserves are an important indicator of an organization's financial health. They provide organizations with a cushion to either maintain their services or enable a relatively smooth reduction in staffing and services if faced with unexpected funding delays or revenue shortfalls. This study, the first of its kind, provides a snapshot of the financial well-being of Greater Washington's locally focused charities during a time of economic stability. The study also looks at operating reserve trends for the subset

AUTHORS

AMY S. BLACKWOOD, THOMAS H. POLLAK

of public charities that filed an IRS form 990 in 2000, 2003, and 2006 to assess the use of operating reserves during the economic slowdown after September 11, 2001.

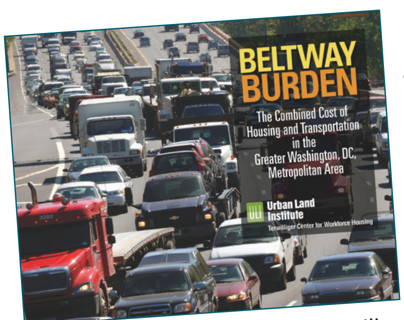
Because many public charities in the Greater Washington area currently face a predicament of maintaining an optimal level of operating reserves, the study's data suggests some conclusions about the vulnerability of these organizations in the current economic downturn.

— *Excerpt from the report.*

www.meyerfoundation.org/downloads/ChartingCivilSociety.pdf

www.urban.org/uploadedpdf/411913_dc_nonprofit_reserves.pdf

Beltway Burden: The Combined Cost of Housing and Transportation in the Greater Washington, D.C., Metropolitan Area



Working families in the Washington, D.C., metro area face many challenges. By national standards, the median household income of $78,000 is high, but so too are the costs of owning or renting a home. To find affordable homes, many in the workforce have followed the popular advice to "drive till you qualify" by moving to remote suburbs. However, efforts to save on housing expenses often lead to higher transportation costs, resulting in an even larger portion of household budgets consumed by the combined burden of housing and transportation costs. This report provides a comprehensive examination of the "cost of place" in the Washington, D.C., region and presents a jurisdiction-by-jurisdiction look at the combined housing and transportation cost burdens for households in the metropolitan area.

ORGANIZATION

URBAN LAND INSTITUTE

— *Excerpt from the report.*

http://commerce.uli.org/misc/BeltwayBurden.pdf

Community Development Financial Institutions and the Segmentation of Underserved Markets

This research is a preliminary examination of whether certain attributes of Community Development Financial Institutions (CDFIs) are correlated with greater success in serving racial and ethnic minority populations. The first question is whether minority-owned CDFIs are achieving higher levels of service among minority communities. The second issue is whether two factors are affecting CDFIs that have been successful in serving those communities. The factors are: (1) whether the CDFI specifically targets its services to members of the community; and (2) whether understanding the cultural norms of the community contributes to the success.

AUTHORS

SPENCER COWAN, DANIELLE SPURLOCK, JANNEKE RATCLIFFE, HAIOU ZHU

— *Excerpt from the report.*

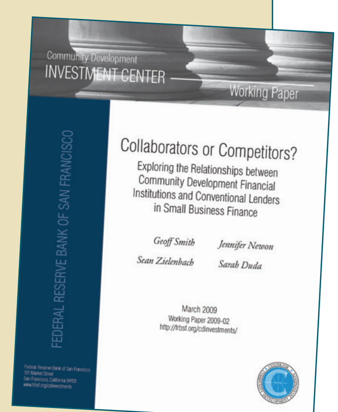
www.cdfifund.gov/impact_we_make/research/rural-and-underserved-markets/reports/Community%20Development%20Financial%20Institutions%20and%20the%20Segmentation%20of%20Underserved%20Markets.pdf

Collaborators or Competitors? Exploring the Relationships between Community Development Financial Institutions and Conventional Lenders in Small Business Finance

ORGANIZATION

THE FEDERAL RESERVE BANK OF SAN FRANCISCO

This study examines the nature of the interaction of banks and community development financial institutions (CDFIs) in small business lending. Six different CDFIs are examined to explore how they both collaborate and compete with regulated lenders, and how changes in local and national market dynamics affect their activities. The case studies offer insights into the factors that shape CDFIs' interactions with and responses to more mainstream institutions. The findings are descriptive, with suggestions for CDFI practice and future research.



The study also considers the current credit tightening and economic downturn. It examines both the opportunities for CDFIs as banks restrict small business lending, and the potential impact of the economic downturn on CDFI underwriting policies.

— *Excerpt from the report.*

www.frbsf.org/publications/community/wpapers/2009/wp2009-02.pdf