July 15, 2008

To the Editor

“American Murder Mystery” -- Ask the Wrong Question, Get the Wrong Answer

In her article, “American Murder Mystery” referencing two Memphis HOPE VI projects published in the July-August 2008 Atlantic Monthly, Hanna Rosin concludes that “(i)’t’s difficult to contemplate solutions to this problem when so few politicians, civil servants and academics seem willing to talk about it”. The article strongly suggests that the “problem” is the correlation between the movement of low income families from public housing to neighborhoods and the spike in crime that follows such movement.

Our companies, McCormack Baron Salazar and Urban Strategies were selected by the Memphis Housing Authority to oversee, the, rebuilding, re-occupancy and community and supportive services program for two former public housing sites under the HOPE VI program. Phyllis Betts and her colleagues from the University of Memphis were hired by MHA to evaluate the HOPE VI programs and she provided much of the data for the article. We know first hand that the data upon which Betts and Rosin rely are wrong; therefore, the problem identification is wrong.

The article talks about a huge wave of HOPE VI demolitions that pushed the number of people displaced from public housing between 1997 and 2005 to 20,000. Between December 1996 and October 2006, the Memphis Housing Authority relocated a total of 870 households with Section 8 vouchers. Of these, 522 were associated with HOPE VI developments. And the largest group of these, the 215 households from the former Dixie Homes who received Section 8 vouchers, was not relocated until late in 2006.

The calculation used in the article heavily weights crime patterns with HOPE VI relocations, demonstrating a weak understanding of neighborhood transition. By the time former public housing residents with Section 8 vouchers begin to move into available rental housing, the neighborhoods typically available to them have already begun to transition from middle income to lower income residents. Those with the widest range of choices have already moved away, leaving behind a failing human and social infrastructure when the Section 8 voucher becomes readily negotiable in the neighborhoods described by Lieutenant Barnes.
While the data cited by Betts and Richard Janikowski, do not support the conclusion that the HOPE VI program in Memphis caused the spike in crime, their data do clearly support the following conclusions:

1. People tend to move where housing is available and they feel accepted.
2. People using vouchers tend to cluster, just as people seeking luxury housing cluster.
3. People bring strengths and weaknesses with them when they move.

So the phenomena described by Ms. Rosin could have been anticipated – where there is an effort to de-concentrate poverty, it is highly likely that the residents will cluster in the weakest communities.

Given the obviousness of this conclusion, the only real question is how do you support transitioning families and neighborhoods and avoid the re-concentration of poverty and the resulting behaviors?

Buried in the assertions and conclusions in the article is the answer to this question – there must be an array of services and supports provided to families who have lived in highly concentrated poverty.

While HOPE VI isn’t perfect and the program doesn’t offer a recipe for success for every public housing family, it has produced positive changes for families in Memphis and other communities around the country.

Of the two HOPE VI developments our companies are building in Memphis, only the first phase of one development, an elderly building, is occupied at this writing. But we can speak with authority on the success of other HOPE VI developments. One success is Renaissance Place at Grand in St. Louis. By summer’s end, approximately 225 of the public housing households that lived on the site will have been re-housed in new HOPE VI townhouses, low rise garden apartments or apartments for seniors or the disabled. Of the 300 original households able to work 206 are now employed. The new community is quiet, beautiful and safe.

As the Atlantic article pointed out, in Memphis former public housing residents who wish to return to HOPE VI communities must demonstrate that they are interested in progressing toward economic self-sufficiency. In order to ensure this happens, the Women’s Foundation for a Greater Memphis has raised over 7 million philanthropic dollars to be used in aiding adults who want to take steps toward a better future for their families.

It is undisputed in the field that the social integration leading to upward mobility for adults and children does not just happen because people of different incomes live next door to each other. All of the literature supports the conclusion that increases in human and social capital have to be encouraged and this can best occur in a well managed and stable mixed income environment.
HOPE VI developments are meant to connect people to services and supports so that the transformation of people and place occur simultaneously. Betts and her team reported in their most recent evaluation update for the Memphis sites relied on that "overall the Memphis Housing Authority, Urban Strategies and the Women's Foundation for a Greater Memphis have developed an approach.....which recognizes that economic self-sufficiency involves more than job training and employment. Based upon analysis of client needs and gaps in service they continue to expand services to include health, youth and early childhood development, financial counseling and homeownership and computer training."

The most troubling thing about the article is that it ignores the positive impact of the current transformation models and offers no alternatives. This could lead readers to conclude that the greatest good for the greatest number will result from leaving the most vulnerable families in neighborhoods plagued by crime, failure and hopelessness. To believe this is to turn our backs on the biggest challenge we face as a nation. Will we be a polarized nation, with a large segment of our workforce poorly equipped to make a contribution to society and with our communities made uninhabitable by poverty and crime? Or will we look for models of success, as many HOPE VI developments are, and give communities adequate resources to develop at a scale that can have a true impact on our cities.

Sincerely,

[Signature]

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