

Monitoring Success in Choice Neighborhoods:

A Proposed Approach to
Performance Measurement

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MONITORING SUCCESS IN CHOICE NEIGHBORHOODS: A PROPOSED APPROACH TO PERFORMANCE MEASUREMENT

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OVERVIEW

This paper is a product of the Urban Institute¹ and was supported by the *What Works Collaborative*, which seeks to build knowledge and share solutions for housing and urban policy by bringing together leading researchers to address important public policy questions. This paper considers how to effectively evaluate outcomes and measure success in comprehensive community transformation efforts, such as the U.S. Department of Housing and Urban Development (HUD)'s proposed Choice Neighborhoods Initiative. The paper is divided into two parts: (1) a general framework for performance management in Choice Neighborhoods, including a logic model, and (2) a detailed, evidence-based approach to Choice Neighborhood performance measurement, including proposed management reports and performance indicators.

PART 1: MEASURING THE SUCCESS OF CHOICE NEIGHBORHOODS

Choice Neighborhoods

Program Description

The Choice Neighborhoods Initiative is intended to transform neighborhoods of extreme poverty and severely distressed housing into revitalized mixed-income communities.² Building on the successes and lessons learned from HUD's HOPE VI program, Choice Neighborhoods will support housing and economic development in communities with concentrated public and assisted housing to transform the larger neighborhood into a healthy, mixed-income community with quality affordable housing, high-performing schools, services, transportation, and access to jobs. A key feature of Choice Neighborhoods is a focus on sustainability, including (1) financial sustainability of the assisted development, (2) social sustainability of the assisted development, (3)

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² *Choice Neighborhoods Initiative Act of 2010*, 1–14.

economic sustainability of the neighborhood, and (4) environmental sustainability³ of the development and neighborhood.

Legislative History and Goals

On May 7, 2009, HUD Secretary Shaun Donovan introduced the Obama administration's new Choice Neighborhoods Initiative during his announcement of HUD's FY 2010 budget proposal.⁴ In the proposal, HUD requested that \$250 million be appropriated for Choice Neighborhoods, nearly \$130 million more than HOPE VI's FY 2009 allocation. To justify why the allocation was significantly higher than HOPE VI, HUD argued that Choice Neighborhoods would move beyond the bricks and mortar revitalization of severely distressed public housing and fund a broader range of eligible activities, including education reform, early childhood activities, and collaboration among public, private, and nonprofit organizations. At the HOPE VI Green Building and Energy Efficient Development Conference,⁵ Secretary Donovan further elaborated that revitalization efforts would also extend beyond public housing to other assisted housing as well as the unsubsidized, privately owned housing stock.

In a statement at the Urban and Metropolitan Policy Roundtable in July 2009, President Obama emphasized that the intention of Choice Neighborhoods is to move away from "isolated and monolithic public housing projects," and move toward "proven strategies that actually transform communities and enhance the opportunity for residents and businesses alike."⁶

Several months later, HUD released the draft Choice Neighborhoods legislation and opened the floor to comments over a two-week period, from November 10th to November 24th, 2009. A host of organizations, such as the National Low Income Housing Coalition (NLIHC), the Council of Large Public Housing Authorities (CLPHA), Enterprise Community Partners, Inc., and the National Alliance of Community Economic Development Associations (NACEDA), provided their feedback. The Department also

³ While some energy use measures are included, the performance measurement system proposed in this report does not attempt to comprehensively monitor the many complex aspects of environmental sustainability. For a more complete treatment including possible indicators, please see Vicki Been et. al, *Building Environmentally Sustainable Communities: A Framework for Inclusivity* (Washington, DC: What Works Collaborative, 2010, forthcoming).

⁴ U.S. Department of Housing and Urban Development, "HUD FY2010 Budget Shifts Focus to Responsibility, Effectiveness and Transparency," Press Release (Washington, DC: HUD, 2009), <http://www.hud.gov/news/release.cfm?content=pr09-054.cfm>.

⁵ U.S. Department of Housing and Urban Development, "Prepared Remarks for Secretary of Housing and Urban Development Shaun Donovan at the HOPE VI Green Building and Energy Efficient Development Conference" (Washington, DC: HUD, 2009), <http://www.hud.gov/news/speeches/2009-06-25.cfm>

⁶ U.S. Office of the Press Secretary, The White House, "Remarks by the President at Urban and Metropolitan Policy Roundtable" (Washington, DC: Office of the Press Secretary, 2009), <http://www.whitehouse.gov/the-press-office/remarks-president-urban-and-metropolitan-roundtable>.

has continued to work with all appropriate committees to solicit their comments and concerns regarding the bill, including the Appropriations Committee; the Senate Committee on Banking, Housing, and Urban Affairs; their respective subcommittees; and the House Committee on Financial Services. In fact, on March 17, 2010, the House Committee on Financial Services held a committee hearing on the administration's Choice Neighborhoods proposal, reviewing and commenting on the updated bill.

With the highly comprehensive nature of the program, House members and organizations alike have requested that interagency collaboration be formalized. While there have not been any formal interagency agreements to date, to leverage additional federal funding, HUD outlined in the 2011 Summary Statement and Initiatives its intention to coordinate with the Departments of Education, Justice, Labor, Transportation, Health and Human Services, and the Environmental Protection Agency in their efforts. In addition, Secretary Donovan noted that HUD has been working closely with the White House Neighborhood Revitalization Working Group.

Program Activities

Reflecting the ambitious nature of any comprehensive community development effort, the required and eligible activities in Choice Neighborhoods are wide-ranging. Not only are specific types of activities required (“transformation of severely distressed housing projects”), they must be undertaken in certain ways. Choice Neighborhood transformation plans are *required* to include energy-efficient housing transformation and preservation activities, as well as economic self-sufficiency activities that meet all fair housing, accessibility, and replacement housing requirements. Transformation plans must also link to local education efforts. Reflecting lessons learned from the HOPE VI experience, Choice Neighborhoods requires that grantees provide all displaced residents with mobility counseling, supportive services, and housing search services and then track them throughout the life of the grant or until full occupancy of replacement housing. Plans must ensure that residents are involved in planning the implementation and original residents may return to the revitalized site if they so desire. Figure 1.1 details the activities required of a Choice Neighborhoods applicant.

In addition to the required activities described above, Choice Neighborhoods makes *eligible* a number of community development activities, including the construction, acquisition, or rehabilitation of public, assisted, or privately owned affordable housing; creation of job opportunities and job accessibility; development of critical community improvements (facilities, transit, retail); and the strengthening of local educational opportunities (see figure 1.2). Choice Neighborhoods also makes eligible family support services, rent incentives, work incentives, revolving loan funds, and land banking.

The wide-ranging nature of both required and eligible activities makes performance management a challenge. A successful system will include a core set of indicators tracking progress on common goals and activities across sites as well as the flexibility to collect information on local priorities.

Figure 1.1. Required Activities

- Rehabilitation and preservation of housing or demolition and replacement of distressed housing projects and incorporation of energy efficiency in design plans
- Provision of economic self-sufficiency activities
- Preservation of affordable housing in the neighborhood and other activities necessary to ensure that current residents have access to the benefits of the neighborhood transformation
- Agreement that returning residents have the option to return or be given preference to onsite or offsite units
- Adherence to the replacement of housing units requirement
- Adherence to fair housing program
- Coordination with support services, mobility counseling, and housing search assistance for those directly affected by revitalization efforts
- Resident involvement for planning and implementation of the transformation plan
- Tracking of relocated residents
- Connections with local education activities

Figure 1.2. Eligible Activities

- Construction, acquisition, or rehabilitation of public, assisted, and privately owned housing and incorporation of energy efficiency in design plans
- Acquisition, demolition, or disposition of properties, including FHA-foreclosed properties
- Partnership with local educators and engagement in local community planning
- Provision of support services for residents (i.e., FSS)
- Provision of work incentives
- Partnership with employers to create jobs or job training opportunities
- Relocation assistance, including tenant-based rental assistance and supportive services for families (i.e., counseling over multiple years, reasonable moving costs and security deposits)
- Construction of critical community improvements, including parks, community gardens, environmental improvements, and development or improvement in transit, retail, community financial institutions, and public services
- Endowments, reserves, and revolving loan funds
- Land assembly and land banking
- Activities that promote sustainable neighborhoods and incorporate principles of sustainable design and development
- Other activities approved by the Secretary of HUD

Grants Process

In December 2009, Congress enacted \$65 million for the Choice Neighborhoods Demonstration for FY 2010. HUD's 2011 Summary Statement and Initiatives declaration includes a discussion of how grants will be allocated as well as which types of organizations will be eligible for funding. In 2010, HUD anticipates awarding one or two planning grants. Potential grantees include local governments, public housing authorities (PHAs), assisted housing owners, nonprofits, and for-profit entities. Neighborhoods that are selected will be required to meet three criteria: (1) severely distressed public or assisted housing, (2) concentration of poverty, and (3) potential for long-term viability.⁷

During a speech at the Brookings Institution, Secretary Donovan stated that applicants that demonstrate coordination and collaboration with educational opportunities and early childhood development activities will be given preference. Specifically, additional points will be allocated to applicants that show a strong commitment to "implement and/or form a significant partnership with an institution that implements a comprehensive, high-quality, results-oriented early childhood education program that utilizes best practices ... as well as factors related to green development and energy efficient strategies."⁸

At the House Committee on Financial Services, Secretary Donovan stated that HUD will release two NOFAs for FY 2010—one for HOPE VI and the other for Choice Neighborhoods. The HOPE VI NOFA is expected to be released in the spring of 2010 and grant awards are expected to be distributed by the fall. The Choice Neighborhoods NOFA process will presumably be identical to HOPE VI, with the exception that Choice Neighborhoods will consist of a two-round process. An announcement of the initial competition will take place in summer 2010, and a group of applicants will be selected as finalists. These applicants will have the opportunity to prepare a more detailed application and resubmit to HUD for round 2.⁹ In the end, two applicants will be awarded planning grants and, in the following year, implementation grants.

Performance Management

⁷ United Neighborhood Centers of America (UNCA), "Administration Outlines Choice Neighborhoods Proposal" (2010), <http://unca-acf.org/?p=1018>.

⁸ U.S. Department of Housing and Urban Development, "Prepared Remarks for Secretary of Housing and Urban Development Shaun Donovan at the Brookings Institution Metropolitan Policy Program's Discussion—'From Despair to Hope: Two HUD Secretaries on Urban Revitalization and Opportunity'" (Washington, DC: HUD, 2009), <http://www.hud.gov/news/speeches/2009-07-14.cfm>.

⁹ "This dual-process will accomplish two key goals. First, it will minimize the number of applicants who have to make significant financial investments to develop a plan which relies on federal funding they do not then receive. Second, it will help HUD determine how best to allocate planning grant applications, giving HUD a fuller understanding of the challenges applicant communities are facing" (UNCA).

What Is Performance Management and Why Is It Important?

Performance management is the process by which local program managers assemble and review a series of selected indicators on performance on a recurring and frequent basis (e.g., monthly, quarterly, yearly) and use these measures to adjust resource flows and make mid-course corrections in program activities.¹⁰ Also referred to as performance *measurement*, performance management uses indicators to measure progress.¹¹ Put simply, performance management helps local managers better understand and improve their programs. It provides a systematic way to monitor results that goes well beyond anecdotes and hearsay. Depending on what organizations want to monitor, performance measures can be gathered at the household, program, neighborhood, city, state, or national level to assess progress and measure change. In an effort such as Choice Neighborhoods, which seeks to transform a community, measures can be collected for participants, activities or programs, organizations, neighborhoods, and cities.

Key performance measurement terms

When discussing performance measurement, it is important to define some key terms.¹² In this paper, we use the following:

Goals—Goals describe what the program ultimately seeks to achieve. For example, a goal could be helping assisted housing residents access jobs and move toward self-sufficiency.

Program Activities—Activities are what the program does to accomplish its goals. For example, providing job-training and placement services to assisted housing residents is a program activity.

Outputs—Sometimes referred to as interim or process outcomes, outputs are the direct product of the program activities and describe the volume of work provided. For example, the number of participants enrolled in a job-training program is an output. Tracking outputs help document what types of activities the program or initiative delivers.

¹⁰ See Harry Hatry, *Performance Measurement: Getting Results*, 2nd ed. (Washington, DC: Urban Institute Press, 2006).

¹¹ In this report, performance measurement is used interchangeably with performance management.

¹² See Brook Spellman and Michelle Abbenante, *What Gets Measured, Gets Done: A Toolkit on Performance Measurement for Ending Homelessness* (Washington, DC: National Alliance to End Homelessness and Homelessness Research Institute, 2008).

Outcomes—Outcomes are the results the program seeks to achieve, such as changes among program participants or changes in physical properties and neighborhoods. In this example, an outcome could be that 50 percent of residents are working full-time for more than a year.

Indicators—An indicator is a specific metric that helps measure outcomes numerically, such as the number and percentage of residents working full-time or the number and percentage of residents receiving TANF. Changes in indicators help observers see progress toward outcomes.

Recommendations for Building a Strong Performance Measurement System for Choice Neighborhoods

Assessing the success of a program as ambitious and multifaceted as Choice Neighborhoods will be extremely challenging. Therefore, HUD must establish a comprehensive performance measurement system for grantees at the outset to effectively monitor program activities and assess the overall program impact. This performance measurement system will both allow HUD to track program implementation and support a broader evaluation of Choice Neighborhoods. While local managers will be the primary users of a Choice Neighborhoods performance management system, most of the data will also be shared with HUD to enable it to provide appropriate oversight. (Although both processes rely on the same or similar data sources and indicators, performance management is to be distinguished from program “evaluation,” which is usually performed by outside evaluators after most program activity has been completed.¹³ Program evaluations often have a broader scope than performance measurement and might include cross-site comparisons and focus on outcome and process goals of particular interest at the national level).

Performance measurement can itself be important to outcomes; as authors of a book on performance measurement have said, “*What gets measured, gets done.*”¹⁴ This theme is particularly important in a comprehensive community-based program like Choice Neighborhoods, with many component activities and subprograms. With so much complexity, there is a need for clear measures that will focus performance on a well-articulated structure of program goals. For example, if managers of Choice Neighborhoods are required to collect data on resident outcomes, then they are more likely to focus on monitoring and improving those outcomes.

¹³ While program evaluations are often performed after a significant amount of program work has been completed, meaningful evaluations often need information from the start (or in some cases before the start) of program activities.

¹⁴ Spellman and Abbenante (2008).

We believe that local data collection for Choice Neighborhoods should be fairly extensive, covering all aspects of performance that local sponsors as well as HUD will need to know about to assess the effectiveness of the intervention. This means that, while the local performance measurement system should be driven by goals stated in the statute, it should also relate to other goals implicit in comprehensive community revitalization initiatives. For instance, sites should monitor changes in neighborhood property values as a key metric of program impact, even though this goal is not explicit in the statute. Clearly, sponsors will not regard the program as a success if property values in the target neighborhood drop relative to their larger metropolitan area.

Similarly, the measurement system should cover activities that, while not explicitly identified as eligible for direct HUD support, may be proposed as a part of the local plan for comprehensive revitalization (e.g., intensive code enforcement, foreclosure prevention counseling). While the HOPE VI program was unable to obtain this level of data collection, this more extensive approach should now be feasible because more relevant data have become available and technology has reduced the cost of data storage, analysis, and presentation.

We offer the following recommendations for building a strong performance measurement system for Choice Neighborhoods. Each is an important component to a successful system.

- **Mandatory Uniform Data Collection System.** To support a significant data collection effort, HUD will need to mandate that local programs collect data according to detailed specifications, implemented uniformly in all program sites.¹⁵ This uniform system is necessary to yield a meaningful basis for assessment for local purposes, as well as to permit comparisons across sites. Further, this more thorough approach to performance measurement is consistent with the administration's emphases on higher standards for accountability.¹⁶
- **Require Grantees to Report to HUD on a Regular Basis.** One key feature of a performance measurement system is that data are collected on an ongoing basis and can be analyzed to make key midcourse corrections to program activities. To ensure HUD has the information it needs to understand program outcomes early on, the agency should collect quarterly reports from Choice Neighborhood grantees. Collecting quarterly reports will also help HUD understand and correct any problems in the performance measurement system and reports.

¹⁵ Part 2 of this report includes a suggested list of management reports, which, if developed and implemented, would provide the basis of a comprehensive performance management system.

¹⁶ Partnerships and agreements between individual Choice Neighborhoods and local service providers and agencies may look different and require some flexibility to facilitate the desired data collection. For example, coordination with local educational agencies (LEAs) or school districts may require significant effort to get accurate education data (attendance, program participation, etc).

- **Provide Technical Assistance to Grantees on Performance Measurement.** Performance measurement takes a big investment and can be a challenging aspect of program management. HUD should dedicate funds from the Choice Neighborhood Initiative and provide ample technical assistance to grantees on how to set up and manage a performance measurement system.
- **Dedicate Funds to Performance Measurement.** HUD should require that grantees dedicate grant funds to the development of a performance measurement system, including hiring IT staff and purchasing adequate software.
- **Identify a Universal Software Provider.** Identifying a single software provider could help alleviate grantee burden, streamline reporting to HUD, and promote data consistency and compatibility.
- **Work with Grantees to Develop Key Performance Measurement Benchmarks.** HUD should identify benchmarks for how it expects grantees to perform. These benchmarks will provide grantees with a quantitative value for key outcomes and will help them assess whether they are meeting their goals. Benchmarks should include a timeline or measure of change over time. For example, HUD could set a benchmark such as 60 percent of original nonelderly, nondisabled residents working full-time by year five.
- **Require that Grantees Track Original Residents.** The Choice Neighborhoods legislation states that tracking relocated residents is a required activity. We fully endorse this requirement and specify that HUD should require grantees to track outcomes for *all original residents* living in the development at the time of the grant award (whether or not they are relocated). One major criticism of the HOPE VI program is how it affected original residents of demolished public housing developments. Especially in the early years of the program, there was little evidence about what had happened to these residents, which made it difficult for HUD to respond effectively to its critics.
- **Conduct Quality Control Audits.** A performance measurement system is only as good as the data that go into it. To ensure quality control and accuracy in reporting, HUD should conduct annual audits of grantee performance measurement reporting.

Performance Management in Choice Neighborhoods—Approach and Framework

To set up a performance management system for Choice Neighborhoods, we start with the premise that the purpose of performance measurement is to track progress toward stated goals. Defining those goals is a key step in developing a successful system. According to the Choice Neighborhoods legislation, the overarching goals of the initiative are to

- Revitalize distressed properties,
- Transform neighborhoods, and
- Support positive outcomes for residents.

We suggest a fourth goal is also inherent in the legislation:

- Operate a high quality transformation process.

While the quality of the transformation process undergirds the success of the overall initiative, a high quality process is also a goal in itself. The legislation includes language on resident engagement, responsible relocation, and sustainability that indicates an interest in the quality of the process. This goal captures the adequacy of the way the transformation process has been designed and carried out as well as the financial sustainability¹⁷ of the transformation development and economic sustainability of the surrounding neighborhood. To be successful, Choice Neighborhoods will have to incentivize a new culture of data collection and coordination among local actors.

Following these four goals, the outcomes for Choice Neighborhoods could look like this:

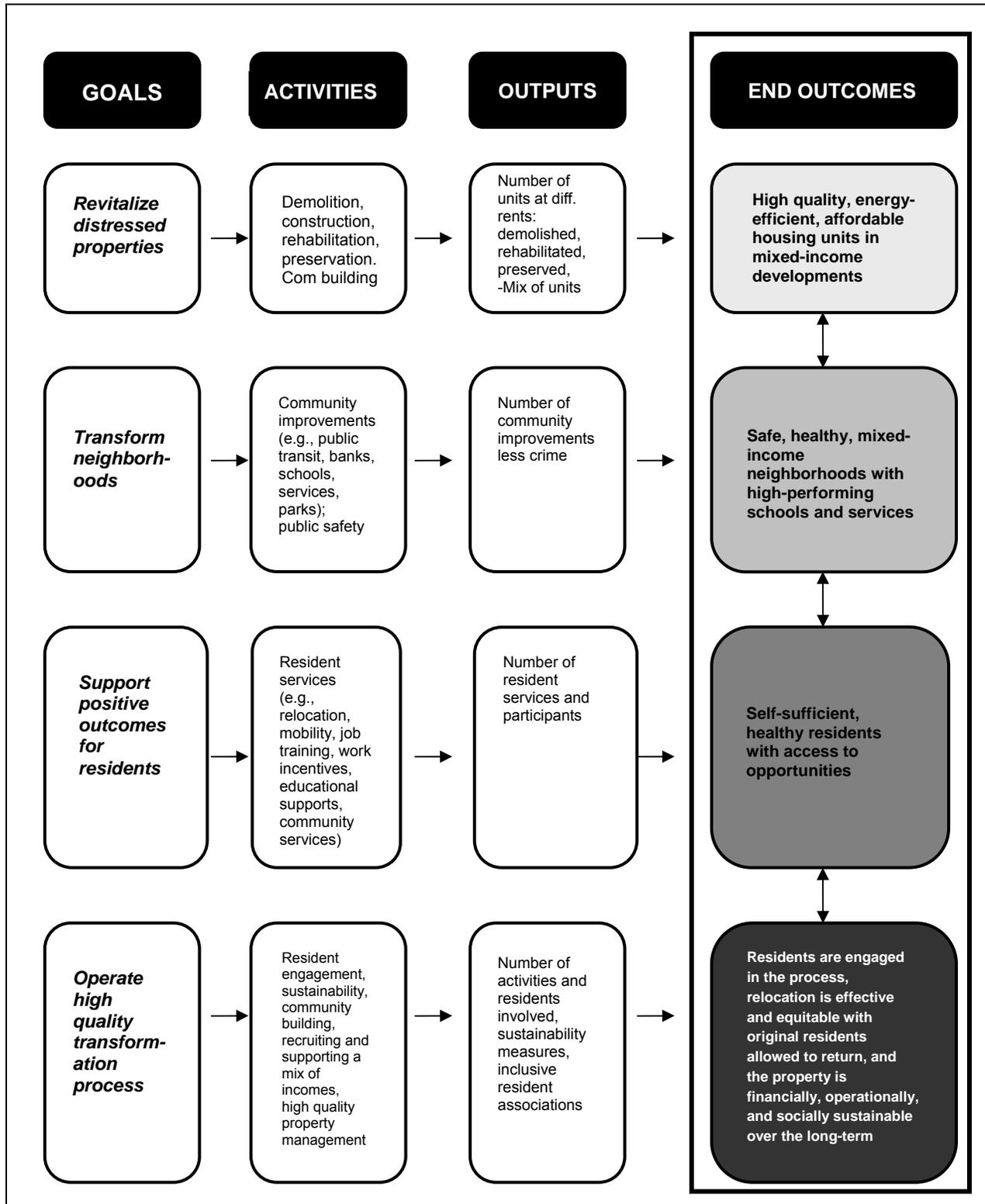
- High quality, affordable, energy efficient assisted housing units in mixed-income neighborhoods;
- Safe, healthy, mixed-income neighborhoods with high-performing schools, educational services and opportunities, and social services;
- Self-sufficient, healthy residents who have access to such opportunities as employment and education, including original residents;
- Engaged residents of all ages, and responsible, properly implemented relocation; and
- Long-term financial and social sustainability for the revitalized community.

Because the goals and desired outcomes for Choice Neighborhoods are broad, meeting them might encompass a wide array of activities. For example, work on the goal to “revitalize distressed properties” might include activities related to demolishing and rebuilding the development selected for transformation, but could also include activities that strengthen the social and cultural environment of the community. Each activity (or service) a site could employ to make progress toward the goal of revitalizing the distressed property would have outcomes that need to be measured to assess progress.

¹⁷ See Martin D. Abravanel, Diane K. Levy, and Margaret McFarland, “The Uncharted, Uncertain Future of HOPE VI Redevelopments: The Case for Assessing Project Sustainability” (Washington, DC: The Urban Institute, 2009). The authors note that “HOPE VI sustainability depends on having sufficient operating income for the entire rental portion of a redevelopment, from both ongoing subsidies and rents, to maintain it for the particular market for which it was intended” (p. 9).

These interim or process outcomes associated with specific activities are called outputs. While outputs measure how things are progressing for a specific service or activity, outputs from multiple activities combine to make progress toward the overall or end outcome. A diagram linking goals, activities, outputs, and outcomes is often called a *logic model*. Figure 1.3 depicts how these elements connect in the Choice Neighborhood Initiative.

Figure 1.3. Choice Neighborhoods Logic Model



Goal and Outcome Categories

The logic model shows movement from goals toward outcomes (the arrows move left to right horizontally) but also shows that progress on each outcome influences the other outcomes (arrows up and down vertically between the outcomes). These relationships reflect the dynamism inherent in Choice Neighborhoods; that by changing a place, you influence outcomes for people and vice versa.

Given that the Choice Neighborhoods goals relate to places (revitalized properties, transformed neighborhoods) and people (positive outcomes for residents), it follows that the outcomes also touch places and people. A helpful way to organize a Choice Neighborhoods performance measurement system is by focusing on places and people. Table 1.1 summarizes the different types of information and data collection that are helpful and possible in each category. Consistent with the goals and outcomes of the logic model, we suggest using five categories:

Table 1.1. Choice Neighborhoods Logic Model Goals, Data Categories, and Definitions

GOAL	DATA CATEGORY	DEFINITION
Revitalize distressed properties	Physical, economic, and social conditions within transformation development	Conditions in and related to the HUD assisted developments (Public Housing, Section 8 New Construction, etc.) selected for transformation.
Transform neighborhoods	Neighborhood conditions	Conditions related to the remainder of the surrounding neighborhood encompassed by the Choice Neighborhood Initiative.
Support positive outcomes for residents	Well-being of transformation development's original residents	Residents living in the HUD assisted developments targeted for transformation.
Support positive outcomes for residents	Well-being of residents living in neighborhoods surrounding development	People living in the larger Choice Neighborhood community. This group does not have to participate in a Choice Neighborhood activity.
High quality transformation process	Transformation process quality and financial and social sustainability of transformation development	The process of integrating those living in the Choice Neighborhoods community in the transformation process along with conducting activities in a financially and socially sustainable manner.

All five categories have outcomes that require measurement and tracking. Therefore, our proposed system of performance measurement for Choice Neighborhoods is divided into these five categories. They are discussed in detail (including numeric metrics or indicators) in part 2 of this report.

PART 2: PROPOSED PERFORMANCE MEASUREMENT SYSTEM—INDICATORS AND REPORTS

Performance measurement for the Choice Neighborhoods Initiative is a challenging task. Defining the goals, establishing benchmarks, and identifying indicators, will all require considerable effort prior to initiating a performance measurement system. Part 2 of this report has two components:

- Detailed indicator descriptions and tables
- Instruments and methods for data collection

The first section presents a series of tables with numeric indicators needed to measure progress on goals and outcomes. The second section describes the instruments or *management reports* and methods for data collection that could be used to identify and organize much of the information listed in the indicator tables. The management reports in section 2 are often the data source of the indicators listed in the tables in section 1.

A frequent issue in performance management and evaluation is that many of the indicators managers would ideally like to obtain require surveys and other data collection methods that are prohibitively expensive (or unavailable). Simply suggesting the ideal measures is not very useful. More valuable, if more difficult, is to design a feasible data collection process that yields workable indicators that, while not always the ideal, represent useful proxies for what we really want to measure. Our proposed approach reflects this goal of developing a system that is both practical and comprehensive.

Detailed Indicator Descriptions and Tables

The following tables present the data items or indicators suggested to monitor progress toward the goals and outcomes of Choice Neighborhoods. The tables are organized around the people and place data categories reflected in the goals as described in part 1 of this report. These are

- Physical, economic, and social conditions within transformation developments;
- Neighborhood conditions;
- Well-being of transformation development's original residents;
- Well-being of residents living in neighborhoods surrounding the transformation development; and
- Transformation process quality and financial and social sustainability of transformation development.

Each category relates to a goal of Choice Neighborhoods. Organized by the five categories above, the upcoming tables correspond to each of the five data categories and present outcomes along with their numeric metrics of progress (indicators)¹⁸ and the source of the information.

Physical, Economic, and Social Conditions within Transformation Developments

The goal “revitalize distressed properties” suggests three subgoals for activity taking place within the selected HUD assisted developments:

1. *Transform assisted housing developments.* This goal is likely to be regarded as very important, if not primary, in all Choice Neighborhoods projects. Outcomes relate to improvements in housing quality (which can be obtained from Assisted Housing Development Report [AHDR¹⁹], production data and REAC²⁰ scores before and after redevelopment), diversification of resident incomes (estimated via AHDR data collected from managers on rents and prices), and documenting any net loss of affordable units (with special accounts if replacement housing is being built off-site). This goal also looks at improvements in energy efficiency (through changes in utility use), which relates to environmental sustainability.

2. *Strengthen community facilities, institutions, and services.* This goal pertains to improvements to schools and facilities inside the developments (rather than those in the surrounding neighborhood); thus, it may not be applicable in all sites. Where they are applicable, outcome measures relate to providing stronger “local” or “community-oriented” schools, parks and recreation, and a range of public services (this goal relates to routine services like “meals on wheels” and recreational opportunities—supportive services to improve educational, health, employment status of residents are covered in table 2A). Since improvements in this section are a part of the site development, we assume they will be reported in the AHDR.

3. *Strengthen the physical, social, and cultural environment.* This goal is applicable to all sites. It focuses on changing levels of public safety (data from administrative indicators), the quality of maintenance of public spaces, participation in social and cultural events, and the strength of social networks. Many measures used here are derived from questions case managers ask in their periodic meetings with residents (e.g., about their satisfaction and participation in events) and are reported in the Supportive Services Management Reports (SSMR).

¹⁸ To be helpful measures of progress, indicators often need to show the level of an activity and change over time.

¹⁹ As noted above, the details of each of the suggested management reports, including the AHDR, is included at the end of part 2 of this report.

²⁰ REAC (or Real Estate Assessment Center) is HUD’s information system used to assess the condition of the Department’s properties.

Grantees will need to collect data related to each of these goals. Such information will need to be collected periodically to document the level of activity and change over time. Table 2.1A details the goals, outcomes, indicators, and data sources related to collecting data on the physical site and housing stock of the transformation developments.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.1A.
PHYSICAL, ECONOMIC, AND SOCIAL CONDITIONS WITHIN TRANSFORMATION DEVELOPMENT
GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (show level and change)	SOURCE ^a
<i>Transform assisted housing developments</i>	Improved housing quality and energy efficiency	# units new construction, rehab	AHDR
		# units demolished	AHDR
		% units low quality	REAC
		Δ in utility costs and use	AHMR
	Improved income diversity	# renter units by rent range	AHDR
		# owner units by price level	AHDR
		Income diversity index	Calculated
	Loss affordable units avoided	# of affordable units (levels % of median inc.)	AHDR
<i>Strengthen community facilities, institutions, and services (inside assisted developments)</i>	Stronger local schools	School enrollment and retention	AINC/NCES
		% students proficient language and math in 3rd and 8th grade	AINC/SM
		Student-teacher ratios	AINC/NCES
		Investment in schools	AHDR
		Resident satisfaction with schools	SSMR
	Quality parks/recreation	Park/recreation space/1,000 residents	AINC/LOC
		Investment in parks/recreation	AHDR
		Resident satisfaction with parks/recreation	SSMR
	Quality public services	Investment in other community facilities	AHDR
		Resident satisfaction other public services	SSMR

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.1A. (continued)
PHYSICAL, ECONOMIC, AND SOCIAL CONDITIONS WITHIN TRANSFORMATION DEVELOPMENT
GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (show level and change)	SOURCE ^a
<i>Strengthen physical, social, and cultural environment (inside assisted developments)</i>	Improved public safety	Violent crimes/100,000 residents	AINC/LOC
		Property crimes/100,000 residents	AINC/LOC
	Well maintained public spaces	Investment in maint./improve public spaces	PROC
		Resident satisfaction with maintenance	SSMR
	Increased participation social/cultural events	# of community events	PROC
		Attendance at community events	PROC
		Resident satisfaction with events	SSMR
	Stronger social networks	% volunteer in community activities	SSMR
		% participate in community arts & culture	SSMR
		% rely on unpaid help from family, neighbors	SSMR
		Level of collective efficacy	SSMR

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

In addition to measuring progress toward the goals and outcomes of revitalizing distressed properties, it is also helpful for managers to monitor interim outcomes (or outputs) of program activities.

1. *Transform assisted housing developments.* The measures in this section are derived from management reports very similar to those mentioned above as currently being used for the HOPE VI program. For all indicators, measures of actual achievement will be compared against targets set as a part of the planning process. These measures track the amount of activity under way (demolition, rehabilitation, and new construction), and present data on timeliness (how far along they are with respect to milestones and time targets), and cost (again, actual costs compared to targets).

2. *Strengthen community facilities, institutions, and services.* Again, the improvements to community facilities may or may not be built into the plan for the site itself, but where they are, this section is the place to record similar process indicators. As above, key measures relate to the quantity of work done, its timeliness, and its cost. Process measures to monitor the performance of efforts to improve public services have to be tailored to fit the specific service at hand, and there are too many possible services that might be selected for us to design specific process report formats for them ahead of time. They too, however, will relate to quantity of work, timeliness, and cost.

3. *Strengthen the physical, social, and cultural environment.* Similar to the note on public services above, there are a great variety of programs that might be designed to achieve these ends. To enhance public safety inside the development, for example, an intense “community policing” approach might be appropriate in one Choice

Neighborhoods site, but a less comprehensive effort might be all that is needed in another. Similarly, there are many different mixes of community cultural events that might be appropriate to build solidarity and participation, depending on the culture at hand and the skills and capacities of potential service providers. While again recognizing that at least three things have to be measured—quantity of work, timeliness, and cost—it is necessary to wait to define specific process measures until the site program is defined.

Given the centrality of the revitalizing distressed properties goal to Choice Neighborhoods, it is important to monitor progress toward the overall goals (described in the table above) and to monitor progress on individual activities to reach that goal. Table 2.1B presents indicators and data sources related to the goals and outcomes of the program activities undertaken to revitalize distressed properties and meet the three goals above.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.1B
PHYSICAL, ECONOMIC, AND SOCIAL CONDITIONS WITHIN TRANSFORMATION DEVELOPMENT
PROGRAM ACTIVITIES

GOAL	OUTCOME	INDICATOR (show achievement vs. target)	SOURCE ^a		
<i>Transform assisted housing developments</i>	Targeted levels of improved housing produced	# of units demolished	AHDR		
		# of units rehabilitated (by types)	AHDR		
		# of new units constructed (by type)	AHDR		
	Improved housing produced in a timely manner	Time to next milestone, demolition/site prep.	AHDR		
		Time to next milestone, rehabilitation	AHDR		
		Time to next milestone, new construction	AHDR		
Improved housing produced at reasonable cost	Cost/unit output, demolition/site preparation	AHDR			
	Cost/unit output, rehabilitation	AHDR			
	Cost/unit output, new construction	AHDR			
<i>Strengthen community facilities, institutions, and services (inside assisted developments)</i>	For each school or facility being built or renovated	More quality space available	Amount of quality floor space provided	AHDR	
		More shared/joint use of school/community spaces	# of hours school facilities made available for local use	AHDR	
		Produced in a timely manner	Time to next milestone	AHDR	
	Produced at a reasonable cost	Cost per sq. ft.	AHDR		
		For programs to strengthen public services	Many options, need to design to fit programs selected, but all cover	Level of activity	AHDR
			Timeliness of delivery	AHDR	
Cost of delivery	AHDR				

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.1B (continued)
PHYSICAL, ECONOMIC, AND SOCIAL CONDITIONS WITHIN TRANSFORMATION DEVELOPMENT
PROGRAM ACTIVITIES

GOAL	OUTCOME	INDICATOR (show achievement vs. target)	SOURCE ^a
<i>Strengthen physical, social, and cultural environment (inside assisted developments)</i>	For programs to strengthen public services		
	Many options, need to design to fit programs selected, but all cover	Level of activity Timeliness of delivery Cost of delivery	AHDR AHDR AHDR

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Neighborhood Conditions

This section deals with monitoring outcomes related to goals concerned with improving the physical, institutional, and social characteristics in the neighborhood surrounding the HUD assisted developments selected for direct transformation (referred to above as the transformation development). The goals here include the three goals noted for the assisted transformation development in the previous tables, but they also include other goals that are applicable only in this broader context. Again, indicator data would be collected over time to show level and change.

1. *Improve and diversify neighborhood housing.* This goal parallels the first goal for the assisted transformation development, but here the need is to track change in the housing stock neighborhood-wide. Program managers will not have direct control over housing developers, and so will not be able to obtain information in the same way. Fortunately, there are optional data that can be obtained at low cost for some of these indicators. Information on physical change (new construction, rehabilitation, demolition) can usually be obtained from building permit data. Housing quality changes can often at least be approximated using local data on housing code violations and national data from The United States Postal Service (USPS) on vacancy rates. Unfortunately, the only way to obtain data on changes in the overall neighborhood income mix and in the availability of affordable housing would be through a random sample survey of housing units.

2. *Strengthen the neighborhood housing market.* This goal operates only at the neighborhood level. A healthy neighborhood housing market, with active reinvestment and improving property values, is critical to the economic sustainability of neighborhood change initiatives. The most important indicators are sales volumes and prices, which can now normally be inexpensively obtained from local administrative records. Indicators

of the health of the mortgage market are already available at the census tract level in a consistent form nationwide from the Home Mortgage Disclosure Act (HMDA) data set. Key indicators here also relate to the volume of lending and the amounts of the mortgages. However, HMDA also offers rich data on the share of all mortgages where investors (rather than owner-occupants) are the borrowers, and the share of originations that are high cost. In the current environment, shifts in the share of residential properties in foreclosure are also critical to track and can be derived from many local administrative systems.

3. *Strengthen community facilities, institutions, and services.* The approach to performance reporting here parallels that suggested for the similar goal within the assisted transformation developments. However, this goal is likely to require more extensive data collection, since it is meant to cover all improvements to schools and other facilities anywhere in the selected neighborhood—except for the site of the assisted development itself. Outcome measures relate to providing stronger “local” or “community-oriented” schools, parks and recreation, and a range of public services (again, the latter do not include supportive services to improve educational, health, or employment status of neighborhood residents, which are covered in table 2A). The data have to come from administrative records. Some are available from the National Center for Education Statistics (NCES) for small areas nationally. Others can be developed from local records typically available in U.S. cities (parks and recreation space, transport accessibility). Others can be obtained from process reports for the particular Choice Neighborhood site (e.g., investment in community facilities) and yet others would require a neighborhood sample survey (e.g., resident satisfaction ratings).

4. *Strengthen the neighborhood physical, social, and cultural environment.* This goal also parallels the one for the assisted transformation development, and the sources are similar. Neighborhood data on crime levels can be obtained from local police records available in most cities. Data on other activities (investment in parks and recreation and the number and types of community events) would have to be developed for Choice Neighborhoods specific process reports. Neighborhood-wide information on resident participation in the community and satisfaction with services would have to come from a sample survey.

5. *Improve the level of private services in or near the neighborhood.* This is a new goal that applies at the neighborhood level. It relates to a series of privately provided services often underrepresented in low-income neighborhoods, such as full-service grocery stores, banks, or doctors offices. This information is now available for zip code areas nationwide from the Department of Commerce’s Zip Business Patterns files.

6. *Strengthen the neighborhood economy (if selected as a local goal).* Many successful residential neighborhoods do not have much, if any, economic activity within their boundaries—they are near enough to other business centers that they do not need such activities internally. In other cases, however, revitalizing the internal neighborhood economy may be an important goal of the local Choice Neighborhoods effort. If so,

national data are available to track changes in key indicators. Data on employment and establishments (by sector) are now available from the Department of Commerce's Zip Business Patterns files. Data on vacant business properties (a key indicator of economic health) is available from USPS files.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.2
NEIGHBORHOOD CONDITIONS—GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (show level and change)	SOURCE ^a
<i>Improve and diversify neighborhood housing</i>	Improved housing by construction & rehab.	# units new construction, rehab # units demolished	AINC/PERMIT AINC/PERMIT
	Improved overall neighborhood housing quality	% units low quality (code violation index) % residential properties vacant 3 mo. or more	AINC/LOC AINC/USPS
	Improved income diversity	# renter units by rent range # owner units by price level Income diversity index	Survey Survey Calculated
	Presence of affordable units	# of affordable units (levels % of median inc.)	Survey
<i>Strengthen neighborhood housing market</i>	Strong housing market activity and improved property values	# sales by housing type/1,000 units	AINC/LOC
		Median sales price by housing type sold	AINC/LOC
	Strong mortgage market activity	# home purchase loans/1,000 units	AINC/HMDA
		# home refinance loans/1,000 units	AINC/HMDA
		Median amount home purchase loans	AINC/HMDA
% home purchase loans, investor borrower		AINC/HMDA	
% home purchase loans, high-cost (subprime)	AINC/HMDA		
% residential properties in foreclosure process	AINC/LOC		
<i>Strengthen community facilities, institutions, and services (neighborhood)</i>	Stronger community schools	School enrollment	AINC/NCES
		% students proficient language & math	AINC/SM
		Student/teacher ratios	AINC/NCES
		Investment in schools	PROC
		Resident satisfaction with schools	Survey
	Quality parks/recreation	Park/recreation space/1,000 residents	AINC/LOC
		Investment in parks/recreation	PROC
		Resident satisfaction with parks/recreation	Survey
Quality public services	Investment in other community facilities	PROC	
	Resident satisfaction other public services	Survey	
Good transit accessibility	Calculated accessibility index	AINC/LOC	
<i>Strengthen neighborhood physical, social, and cultural environment (neighborhood)</i>	Improved public safety	Violent crimes/100,000 residents	AINC/LOC
		Property crimes/100,000 residents	AINC/LOC
	Well-maintained public spaces	Investment in maint./improve public spaces	PROC
		Resident satisfaction with maintenance	Survey

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.2 (continued)
NEIGHBORHOOD CONDITIONS—GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (show level and change)	SOURCE ^a	
<i>Strengthen neighborhood physical, social, and cultural environment (neighborhood)</i>	Increased participation social/cultural events	# of community events	PROC	
		Attendance at community events	PROC	
		Resident satisfaction with events	Survey	
		Diversity of income levels attending community events	Survey	
		Both transformation development residents and residents in surrounding community attend events	Survey	
	Stronger social networks	% volunteer in community activities	Survey	
		% participate in community arts & culture	Survey	
		% rely on unpaid help from family, neighbors	Survey	
		Level of collective efficacy	Survey	
<i>Improve level of private services in and near to neighborhood</i>	Increased level of services	Grocery stores	# estabs/employment/1,000 residents	AINC/ZBP
		Banks	# estabs/employment/1,000 residents	AINC/FDIC
		Health clinics and doctors' offices	# estabs/employment/1,000 residents	AINC/ZBP
		Dentists' offices	# estabs/employment/1,000 residents	AINC/ZBP
		Child care	# estabs/employment/1,000 residents	AINC/ZBP
<i>Strengthen the neighborhood economy (if selected as goal)</i>	Reduced vacancies—non-res. properties	% non-residential properties vacant 3 mo.+	AINC/USPS	
	Expand neigh. establishments	# business establishments in neighborhood	AINC/ZBP	
	Expand neigh. employment	# employees working in neighborhood	AINC/ZBP	

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Documenting Program Activities in the Surrounding Neighborhood

Choice Neighborhood program managers will have direct control over contractors and others involved in transforming the assisted housing development, so managers can require fairly complete reporting from contractors about their activities. Grantees will not have much control, however, over all of the nonprofits and local government agencies performing relevant work in the surrounding neighborhood. Motivating them to provide reports on their activities will be challenging, but we believe the managers should ask them to at least submit basic reports on their activities in the neighborhood while Choice Neighborhoods is under way. It seems unlikely that many of them would be willing or able to provide information on costs and timeliness, but reporting at least on volumes of work by location could be reasonable. This reporting would be a part of the Transformation Process Reports (PROC).

Well-Being of Transformation Development's Original Residents

A major focus of the Choice Neighborhoods Initiative is making life better for the people who live in the communities selected for transformation. These include both residents currently living in HUD developments targeted for revitalization and those living in the community surrounding the HUD development. In the Choice Neighborhoods logic model, this goal is presented as “support positive outcomes for residents.” Information available on the group living in HUD developments is quite different from what is available for members of the larger community. Therefore, we have broken the indicators for these two resident groups into two categories. First, we present tables tracking “well-being of transformation development's original residents,” and second, we offer suggestions on the type of data possible and desirable for residents of the surrounding community.

We identified three subgoals to help organize the data needed to monitor the well-being of the original residents in HUD developments selected for transformation:

- Increase economic and social self-sufficiency,
- Improve physical and mental well-being of children, adults, and families, and
- Improve literacy and educational achievement.

In the previous tables on the transformation housing developments and neighborhood conditions, the subgoals for each category were presented within the same table. However, given the complexity of the populations, activities, and outputs for residents, each subgoal is presented here as a separate table.

Increase Economic and Social Self-Sufficiency

One key lesson from HOPE VI is that there need to be alternative paths for residents; some residents can be encouraged and assisted to improve their economic status through a variety of efforts, including GED and other educational programs, child care support, job training, and rent incentives. Others who have been disconnected from the labor market may require a more intensive approach that includes models like transitional jobs (sheltered jobs and mentoring) and literacy efforts. But one of the most important lessons from HOPE VI and the Urban Institute's work in Chicago is that there is a subgroup of “hard to house” residents whose problems do not meet the legal definition of disability, but who face multiple challenges and will not likely be able to become self-supporting. These barriers include serious mental and physical health

problems, low literacy levels, histories of substance abuse, and child welfare involvement.²¹

Building on the Project Match model that “everyone can do something,” these residents will need an alternative pathway that provides incentives for things like improved parenting (e.g., getting children to school regularly); managing their health conditions effectively (e.g., attending appointments, taking medication); and volunteering in their community.

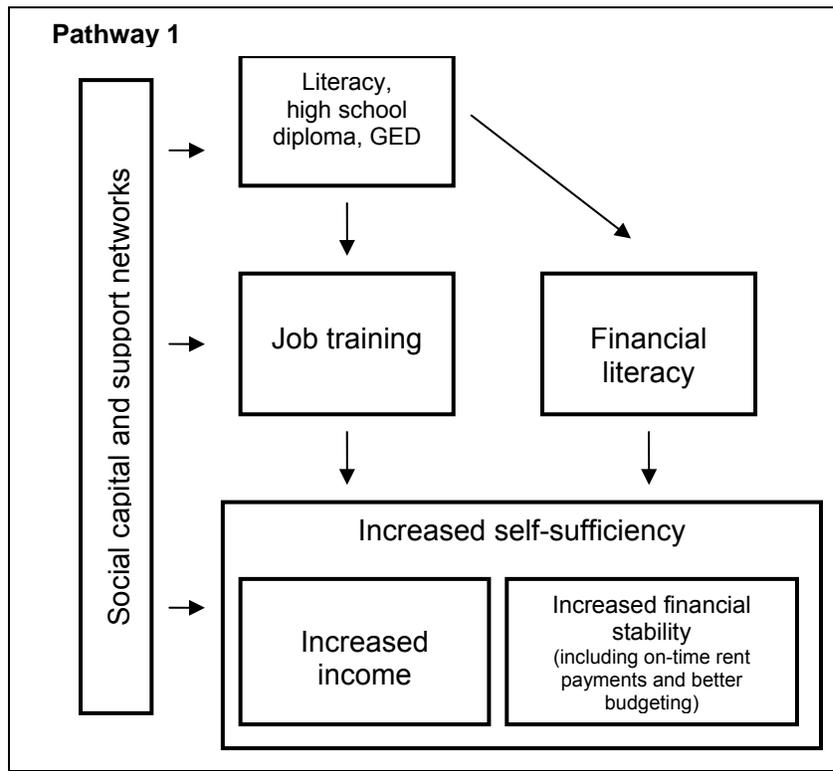
These two paths are graphically presented in upcoming figures. Pathway 1 (figure 2.1) for nonelderly, nondisabled residents moves residents on a continuum toward increasing income and financial stability. Pathway 2 (figure 2.2) for elderly, disabled, and hard-to-house residents is displayed after a table presenting the goals, outcomes, activities, and indicators related to pathway 1. Both figures include social capital as an important element in facilitating progress toward the desired outcome. Social capital is defined here as the value of a person’s connectedness to quality social networks. This is consistent with other definitions of social capital as “what we draw on when we get others, whether acquaintances, friends, or kin, to help us solve problems, seize opportunities, and accomplish other aims that matter to us.”²² Xavier de Souza Briggs describes social capital as both “social leverage” which helps one “get ahead” such as through passing along a job opportunity and “social support” which helps one “get by” or cope.²³ Both aspects of social capital are implied in our use of the term.

²¹ For information on the HOPE VI Panel Study, see Susan J. Popkin, Diane K. Levy, and Larry Buron, “Has HOPE VI Transformed Residents’ Lives? New Evidence from the HOPE VI Panel Study” *Housing Studies* 24, no. 4 (2009): 477–502. For information on the Chicago Family Case Management Demonstration, see Susan J. Popkin, Brett Theodos, Caterina Roman, and Elizabeth Guernsey, *The Chicago Family Case Management Demonstration: Developing a New Model for Serving “Hard to House” Public Housing Families* (Washington, DC: Urban Institute, 2008). <http://www.urban.org/publications/411708.html>

²² Xavier de Souza Briggs, “Brown Kids in White Suburbs: Housing Mobility and the Many Faces of Social Capital” *Housing Policy Debate*, Vol. 9, Issue 1 (1998): 177-221.

²³ Briggs (1998), p. 178.

Figure 2.1. Economic and Social Self-Sufficiency Pathway for Nondisabled, Nonelderly Residents



The alternate pathways are particularly important as we think about performance measures and indicators to monitor progress toward the goal of economic and social self-sufficiency for residents. Given the difference in the activities, outputs, and outcomes between families in each pathway, we offer separate indicator tables related to the goal of increased economic and social self-sufficiency. Table 2.3 presents indicator information related to pathway 1 for nondisabled, nonelderly households.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.3
GOAL 1: INCREASED ECONOMIC AND SOCIAL SELF-SUFFICIENCY
Pathway for Nondisabled, Nonelderly

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a
<i>Increase economic and social self-sufficiency</i>	ECONOMIC SELF-SUFFICIENCY				
	Residents are literate and have high school education	Provide literacy/GED programming	% enrolled in literacy/GED programs	% meeting proficient literacy standards % completed high school or GED	SSMR/AIRW SSMR/RAR/AIRW
	Residents are enrolled in post-secondary education	Community college enrollment or college	% enrolled in community college or other college	% completed/graduated from community college or other college	SSMR/RAR/AIRW

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.3 (continued)
GOAL 1: INCREASED ECONOMIC AND SOCIAL SELF-SUFFICIENCY
Pathway for Nondisabled, Nonelderly

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a	
<i>Increase economic and social self-sufficiency</i>	Residents are financially literate (e.g., can manage household budgets and savings, are aware of tax incentives)	Provide financial literacy programs	# participated in financial literacy classes	% financially literate (e.g., understand financial strategies, budgeting and tax incentives)	SSMR	
	Residents are employed	Provide job training and retention skills services, transitional job opportunities and work incentives (i.e., incentives using rents, escrow deposits)	% participated in job training	Residents have employable skills	SSMR/RAR	
			% participated in transitional jobs	% employed part-time	SSMR/RAR	
			% employed full-time	SSMR/RAR		
			% received job counseling during and after job placement	% retain jobs for >12 months	SSMR/RAR	
			# of hours worked	SSMR/RAR		
	Residents are increasing their income and are not receiving TANF	Provide Family Self-Sufficiency (FSS)	Partner with employers and for-profit and non-profit organizations to create job opportunities	# of employers in program	% employed in partner organizations	SSMR/RAR
				# of jobs created		
	Residents are increasing their income and are not receiving TANF	Provide Family Self-Sufficiency (FSS)	Partner with employers and for-profit and non-profit organizations to create job opportunities	% enrolled in FSS	% receiving TANF	AIRW/RAR
					% with increased employment income	AIRW/RAR
				% earning a "living wage" or "housing wage"	AIRW/RAR	
				% income from work	AIRW/RAR	
				% (of children) no longer receiving free/reduced lunch	AIRW/RAR	
SOCIAL SELF-SUFFICIENCY						
Access to and sustained use of quality support services	Provide quality support services		# of support services provided	% enrolled in support services	SSMR	
			# participate in support services	Δ (increase/decrease) in use of services	SSMR	
Social capital	Provide community activities/events		# of community activities/events organized	Networks of social and economic value	SSMR	
			% attended community activities/events	Not socially isolated, sense of connection to neighbors and community	SSMR	
				Available social supports and informal networks	SSMR	
				Self-efficacy	SSMR	
			Sense of belonging	SSMR		

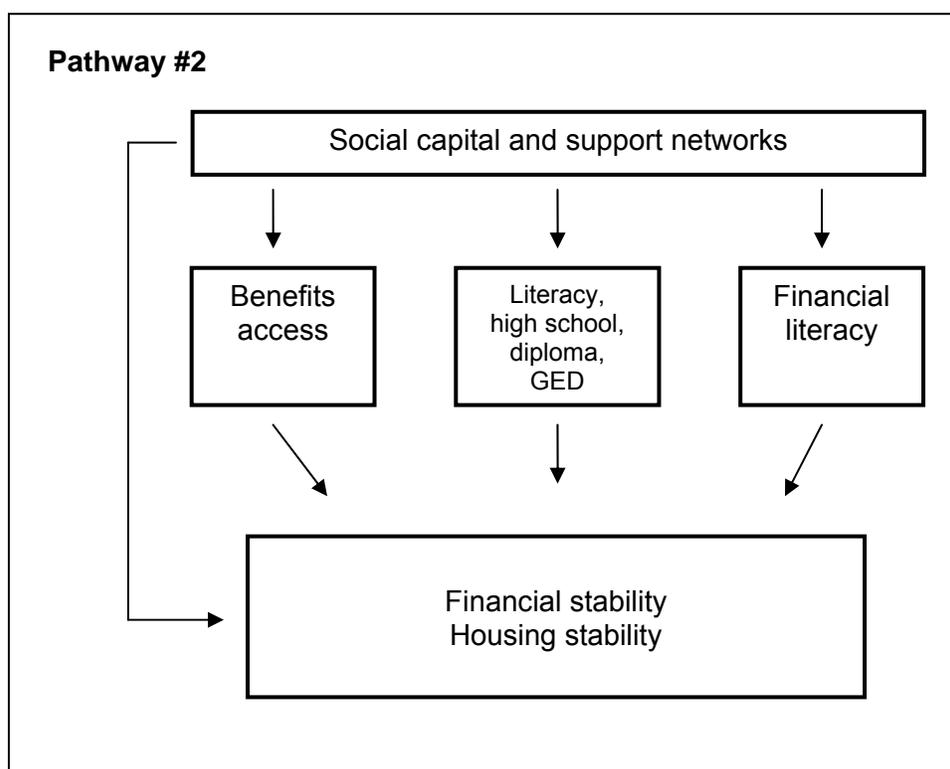
a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Pathway 2 (figure 2.2) for elderly, disabled, and hard-to-house residents shows an increase in financial and housing stability through benefits access and literacy (both educational and financial) but recognizes these persons may not become self-supporting. Social capital and connections to social networks can contribute to success in providing support linkages to employment and other opportunities, i.e. information about school quality or training programs.

While elderly and disabled residents have measurable characteristics (such as age or an official designation) to indicate they are candidates for an alternate pathway, the hard to house are more difficult to identify systematically. Housing authorities vary in the portion of their client households who have multiple barriers to self-sufficiency. However, we know from the HOPE VI Panel Study and the Chicago Family Case Management Demonstration that a significant portion of a housing agency's caseload can be in the multi-barrier or hard-to-house category. HUD may want to establish a ceiling percentage for how much of an agency's caseload can be categorized as hard to house and directed to pathway 2. As a point of reference, under welfare reform, the federal government allowed no more than 20 percent of a program's caseload to be exempt from welfare reform provisions including work requirements.

Following the pathway 2 figure is table 2.4, which presents indicator information for households needing an alternate pathway.

Figure 2.2. Economic and Social Self-Sufficiency Pathway for Disabled, Elderly, and “Hard to House”



CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.4
GOAL 2: INCREASED ECONOMIC AND SOCIAL SELF-SUFFICIENCY
Alternative Pathway for Disabled, Elderly, and "Hard to House"

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a
<i>Increase economic and social self-sufficiency</i>	ECONOMIC SELF-SUFFICIENCY				
	Residents are accessing public assistance (e.g., SSI, Medicare/Medicaid)	Provide Family Self-Sufficiency (FSS), public assistance workshops/assistance (e.g., SSI, Medicare/Medicaid)	# of FSS coordinators	% with FSS escrow accounts	AIRW/RAR/SSMR
			% enrolled in FSS	% enrolled in SSI	AIRW/RAR/SSMR
			% eligible for public assistance (e.g., SSI, Medicare/Medicaid)	% enrolled in Medicare/Medicaid	AIRW/RAR/SSMR
	Residents are literate and have high school education	Provide literacy, GED programming	% enrolled in literacy, GED programs	% meeting proficient literacy standards	SSMR/AIRW
				% completed high school or GED	SSMR/RAR/AIRW
	Residents are financially literate (e.g., can manage household budgets and savings, are aware of tax incentives)	Provide financial literacy programs	# participated in financial literacy classes	% financially literate (e.g., understand financial strategies, budgeting and tax incentives)	SSMR
	SOCIAL SELF-SUFFICIENCY				
	Access to and sustained use of quality support services	Provide quality support services	# of support services provided	% enrolled in support services	SSMR
			# participated in support services	% enrolled in support services	SSMR
			Δ (increase/decrease) in use of services	SSMR	
Social capital	Provide community activities and events	# of community activities and events organized	Networks of social and economic value	SSMR	
		% attended community activities and events	Not socially isolated, sense of connection to neighbors and community	SSMR	
			Available social supports and informal networks	SSMR	
			Self-efficacy Sense of belonging	SSMR SSMR	

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Improve the Physical and Mental Well-Being of Children, Adults, and Families

One important lesson from the Urban Institute’s research on HOPE VI is that many residents face severe physical and mental health challenges. HOPE VI residents report poor health at rates more than double that for other adults the same age; likewise, they are more than twice as likely to suffer from such conditions as asthma, diabetes,

hypertension, obesity, and depression. Mortality rates for this population are shockingly high.²⁴ We believe the research suggests that all sites should make health a major focus of their supportive services for residents. Grantees could undertake many activities to address health, including partnering with public health clinics, school-based health clinics, hospitals, and home visiting programs; including mental health and substance abuse counseling in supportive service programs; building recreational facilities; joint use of school facilities; and incorporating design elements into the built environment to promote active living. Safety is also key to health and well-being; grantees should focus on reducing crime and disorder, including partnering with police and incorporating principles of crime prevention through environmental design into the revitalized development. Finally, supportive services must focus on children’s health and well-being, ensuring that services are not only provided to heads of household, but to children and youth; that children have safe places to play; that there are adequate recreational facilities; and that children live in safe and healthy family environments.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.5
GOAL 3: IMPROVE PHYSICAL AND MENTAL HEALTH

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a
<i>Improve the physical and mental well-being of children, adults, and families</i>	Children are physically healthy	Promote healthy living by providing physical health services	CHILDREN		
			% receive physical health education	% (of children or their guardians) reporting good physical health (obesity, asthma, hypertension, diabetes)	SSMR
			% (who need assistance) referred to health services		
			% (who need assistance) receive health services		
			% (who are morbidly obese) are referred to anti-obesity programs	% reporting healthy weight	SSMR
		% participate in physical activities/recreation	% engaged in "active living" activities (i.e., physical activities, sports, other extracurricular activities)	SSMR	
		% participate in substance or alcohol abuse prevention classes	% completing substance or alcohol abuse classes	SSMR	
			% reporting decreases in substance or alcohol use		

²⁴ For information on the HOPE VI Panel Study, see Popkin, Levy and Buron, 2009. For a discussion of health outcomes in the HOPE VI Panel Study, see Carlos A. Manjarrez, Susan J. Popkin, and Elizabeth Guernsey, *Poor Health: Adding Insult to Injury for the HOPE VI Families* (Washington, DC: Urban Institute, 2007). More information on households in the Panel Study will be presented in David Price and Susan J. Popkin, *The HOPE VI Panel Study: Resident Health after HOPE VI Revitalization* (Washington, DC: Urban Institute, forthcoming).

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.5 (continued)

GOAL 3: IMPROVE PHYSICAL AND MENTAL HEALTH

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a
CHILDREN (continued)					
<i>Improve the physical and mental well-being of children, adults, and families</i>	Children are mentally healthy	Promote healthy living by providing mental health services	% (who need assistance) receive clinical services	% (of children or their guardians) reporting good mental health	SSMR
			% receive mental health education % (who need assistance) referred clinical support	% clinically depressed	SSMR
	Children are safe	Promote child safety by providing child safety services (including case management)	% (who need assistance) participate in child safety activities	Exposure to violence and disorder % involved (open reports, out-of-home placement, prevention services) in child welfare	SSMR/Survey SSMR
			Children are not delinquent and have fewer reported criminal disputes or school behavioral problems	Promote activities to reduce youth delinquency and criminal activities (including case management)	% participate in delinquency reduction activities
Children are in stable housing	Activities to encourage stable housing	% on time rent % evicted	% making multiple moves	RAR	
ADULTS					
Adults are physically healthy	Promote healthy living by providing physical health services	% receive physical health education % (who need assistance) referred to health services % (who need assistance) receive health services	% reporting good physical health (obesity, asthma, hypertension, diabetes)	SSMR	
		% (who are morbidly obese) are referred to anti-obesity programs	% reporting healthy weight	SSMR	
		% participate in physical activities/recreation % participate in substance or alcohol abuse classes	% engaged in "active living" activities (i.e. completing substance or alcohol abuse classes)	SSMR SSMR	
		% reporting decreases in substance or alcohol use % unable to work due to health	SSMR/RAR/ AIRW		

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.5 (continued)

GOAL 3: IMPROVE PHYSICAL AND MENTAL HEALTH

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE ^a
<i>Improve the physical and mental well-being of children, adults, and families</i>	Adults are mentally healthy	Promote healthy living by providing mental health services	% (who need assistance) receive clinical services % receive mental health education	% reporting good mental health	SSMR
			% (who need assistance) referred clinical support	% clinically depressed	SSMR
	Adults are safe	Promote safety by providing safety services (including case management)	% (who need assistance) participate in safety activities	# of arrests Exposure to violence and disorder % victims of crime	SSMR/Survey
FAMILIES					
	Families are strong or families are able to provide a stable, nurturing household environment	Provide effective and intense case management	# family-building classes	% reporting strong families % evicted % paying rent on time	SSMR SSMR SSMR

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Improve Literacy and Educational Achievement

Sites can engage in many activities to improve educational achievement for assisted residents, and most will require that grantees partner with schools or early childhood programs in their community. For infants and toddlers, sites will need to monitor whether children are healthy and meeting developmental milestones. For school-age children, sites will need to ensure that they have access to high-quality public or charter schools, that they are on grade level, and are not chronically absent from school. School-age children also need access to positive activities before and after school, including tutoring programs that provide academic support. Older youth need ongoing support to ensure that they graduate from high school and are actively seeking and enrolling in higher education. Finally, parents need to be engaged in their children’s education—sites could use the incentives model described above to help promote parental involvement in school activities as well as for building stronger families.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.6
GOAL 5: IMPROVE LITERACY AND EDUCATIONAL ACHIEVEMENT

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE
INFANTS/TODDLERS					
<i>Improve educational achievement</i>	Infants and toddlers are meeting developmental milestones	Provide prenatal and early childhood development programs	% (of parents) enrolled in prenatal and early childhood development programs	% (of parents) receive adequate prenatal care % of births to teens % low birth weight	AIRW/SSMR AIRW
	Infants and toddlers are healthy	Provide health education classes for parents with infants and toddlers	% (of parents) enrolled in health education classes % (of infants/ toddlers) with selected preventable chronic health conditions or avoidable development delays	% have up-to-date immunizations and attend routine check-ups	AIRW
	Infants and toddlers are enrolled in high quality child care ("0-3") and preschool ("3-5/6")	Provide educational workshops about high quality child care and preschools	# of high quality child care and preschools	% enrolled in high quality child care ("0-3") and preschool ("3-5/6")	AIRW
CHILDREN/YOUTH					
Children are ready to enter school		Provide health education classes for parents with children entering school	% enrolled in health education classes	% have no/reduced untreated health conditions or avoidable developmental delays at time of school entry	AIRW
		Provide early childhood programs, including Head Start, pre-K, preschool special education	% (of children) enrolled in Head Start, pre-K and preschool special education	% graduate/complete pre-K program	AIRW
Children and youth are provided "educational success plans"		Provide educational workshops about high quality public or charter schools	% attend educational workshops	% have access to high quality schools (e.g., if local charter schools exist, CN children have priority) from preschool to middle school	AIRW
			# of high quality public or charter schools	% enrolled in high quality public or charter schools	AIRW

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.6 (continued)

GOAL 5: IMPROVE LITERACY AND EDUCATIONAL ACHIEVEMENT

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE
<i>Improve educational achievement</i>	Children and youth are achieving academically and are engaged in positive activities for social and academic success before and after school	Provide tutoring and after- or before-school enrichment programs or partner with organizations that provide services	# of tutoring and after-school enrichment programs	% enrolled in tutoring and after- or before-school enrichment programs	SSMR/AIRW
			# of partnerships established for tutoring and after-school enrichment programs	% successfully complete/stay actively enrolled in before and after-school/enrichment activities	SSMR/AIRW
			# of referrals to tutoring and after-school enrichment programs	% demonstrate proficiency in math and reading at 3rd grade	AIRW
				% demonstrate proficiency in math and reading at 8th grade	AIRW
				% graduate elementary school	SSMR/AIRW
				% graduate middle school	SSMR/AIRW
				% repeat pre-K, grade-level in elementary and middle school	SSMR/AIRW
Children are not chronically absent from school and excessively tardy for school	Activities to reduce chronic absenteeism	% are chronically absent from school	% increased attendance rates	AIRW	
		% are excessively tardy to school	% decreased tardiness rate	AIRW	

TEENS/YOUNG ADULTS

Teens and young adults are provided "educational success plans"	Provide educational workshops about high quality public or charter schools	% attend educational workshops	% have access to high quality schools (e.g., if local charter schools exist, CN children have priority) from high school to college placement	AIRW
		# of high quality public or charter schools	% enrolled in high quality public or charter schools	AIRW/AIRW
Teens and young adults are achieving academically and are engaged in positive activities and opportunities for social and academic success before and after school	Provide tutoring and before- or after-school enrichment programs or partner with organizations that provide services	# of tutoring and after-school enrichment programs	% enrolled in tutoring and after- or before-school enrichment programs	SSMR/AIRW
		# of partnerships established for tutoring and after-school enrichment programs	% enrolled in tutoring and after-school enrichment programs	SSMR
		# of referrals to tutoring and after-school enrichment programs	% successfully complete/stay actively enrolled in before and	SSMR
		% enrolled in high school	% graduate high school	AIRW\
		% enrolled in GED program	% complete GED program	AIRW\

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.6 (continued)

GOAL 5: IMPROVE LITERACY AND EDUCATIONAL ACHIEVEMENT

GOAL	END OUTCOME	PROGRAM ACTIVITY	OUTPUTS	END INDICATOR	SOURCE	
<i>Improve educational achievement</i>	Teens and young adults are seeking higher education	Provide educational workshops about college readiness, SATs and scholarship opportunities	% enrolled in Career and Technical Education classes (CTE) or other career readiness options (e.g. internships)	% complete Career and Technical Education classes (CTE) or other career readiness options (e.g. internships)	AIRW	
			% attend educational workshops	% take the SATs % receive academic scholarships	SSMR/AIRW SSMR/AIRW	
			% (age 25 to 29) enrolled in college or post-secondary degree	% age 25 to 29 graduate from college or achieve a post-secondary credential	AIRW ^a	
	Teens and young adults are not chronically absent from school and excessively tardy for school	Activities to reduce chronic absenteeism	% are chronically absent from school	% increased attendance rates	AIRW	
			% are excessively tardy to school	% decreased tardiness rate	AIRW	
	Teens and young adults have access to employment	Provide job training and retention skills services, employment opportunities	% participated in job training	% youth employed	SSMR/RAR	
	PARENTS					
	Parents are involved in their children's education	Promote parent involvement in children's education		% participating in after-school, extra-curricular activities	% (of parents) involved with children's education	AIRW/RAR
				% reading to their children		AIRW/RAR
% supplementing in-school learning with visits to cultural institutions				AIRW/RAR		
% monitoring and limiting TV and video games				AIRW/RAR		

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Well-Being of Residents Living in Neighborhoods Surrounding Development

The goal of “supporting positive outcomes for residents” refers to both people living in the transformation development and those in the surrounding community. Given that the program legislation targets eligible neighborhoods as those with extreme poverty, it follows that residents of these troubled neighborhoods may be in need of, and benefit from, Choice Neighborhood efforts to improve their educational achievement and economic self-sufficiency.

However, measuring change in the well-being of these residents is complicated. Unlike households participating in an assisted housing program, systematic information is not collected on these residents by HUD, public housing authorities, or other managing agencies. Moreover, all of these households do not have clear incentives (such as program requirements) to participate in data collection activities. To assess their well-being, information can be gathered from existing data sources (such as local administrative datasets and national efforts like IRS records) as well as through new data collection activities (such as neighborhood surveys). The extent to which the boundaries of Choice Neighborhoods correspond to standard units of geographic measurement (zip codes, census blocks) will influence the availability of information.²⁵ Given these limitations, we expect far less information to be available for this group than for households in the transformation development.

We offer similar subgoals for surrounding community residents as were identified for households in the transformation developments:

- Increase economic and social self-sufficiency,
- Improve physical and mental well-being of children and adults, and
- Improve literacy and educational achievement.

While each subgoal was presented as a separate table for residents of transformation developments, we offer a single table for residents in the surrounding community reflecting the difference in quantity and variety of available data.

²⁵ Choice Neighborhood boundaries will differ across individual sites. For example, a Choice Neighborhood in one city may correspond to a defined unit of measure (such as zip codes) but in another city, zip codes may not define the local Choice Neighborhood.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.7
WELL-BEING OF RESIDENTS LIVING IN NEIGHBORHOODS SURROUNDING DEVELOPMENT,
GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (level and change)	SOURCE
<i>Increase economic and social self-sufficiency</i>	Residents have high school education	% completed high school or GED	Local
	Residents are employed	% employed	Survey
	Residents are increasing their income	Average adjusted gross income	IRS
	Residents are increasing their income from wages	% tax returns with wage/salary income	IRS
	Residents are reducing reliance on TANF	% families receiving TANF	Local
	Residents are reducing reliance on Food Stamps	% families receiving Food Stamps	Local
<i>Improve physical and mental well-being of children and adults</i>	Children are physically and mentally healthy	Births to teens/1,000 teen women	Local
		% births to teens	Local
		% births low birthweight	Local
		% births adequate prenatal care	Local
		% kids timely immunizations	Local
		% children (or guardians) reporting good physical health	Survey
		% children (or guardians) reporting healthy child weight	Survey
		% children (or guardian) reporting good mental health	Survey
		Child abuse/neglect rate	Local
		% involved in child welfare	Local
	Juvenile arrests/1,000 youth age 10-17	Local	
	Adults are physically and mentally healthy	% reporting good physical health	Survey
		% reporting decreases in substance or alcohol use	Survey
		% reporting good mental health	Survey
		% clinically depressed	Survey
Violent crimes/100,000 residents		Local	
Property crimes/100,000 residents	Local		

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.7 (continued)

WELL-BEING OF RESIDENTS LIVING IN NEIGHBORHOODS SURROUNDING DEVELOPMENT, GOALS AND OUTCOMES

GOAL	OUTCOME	INDICATOR (level and change)	SOURCE
<i>Improved literacy and educational achievement</i>	Children and youth are achieving academically	% demonstrate proficiency in math and reading at 3rd grade	Local
		% demonstrate proficiency in math and reading at 8th grade	Local
		% students chronically absent	Local
		Graduation rate	Local
		Student/teacher ratio	NCES
		Primary school enrollment	NCES
		% students neigh. pri. schools (and by race)	NCES

Transformation Process Quality and Financial and Social Sustainability of Transformation Development

This set of subgoals relates to the way processes are conducted in Choice Neighborhoods. First, at the front end, the program requires grantees to engage residents in the transformation process and keep them well informed and engaged as it is implemented. The subgoals also include how the relocation process is handled. In addition, this section covers what happens once the physical transformation is complete and the development is reoccupied—namely, operating the property in a manner that will be financially and socially sustainable.

In each area, many indicators can be tracked. In table 5, however, we do not attempt to identify all of them. Rather, with respect to a number of the outcomes, we use the term “rating scale/indicators.” This means that several indicators related to the specified outcome must later be selected and that it will also be important to construct a summary rating scale based on those indicators to give an overall sense of the adequacy of performance in that area.

1. Meaningfully engage residents of all ages in the HUD developments in transformation planning and keep them well-informed and engaged during the implementation. It is important to meaningfully engage residents of all ages in the transformation process. We know from HOPE VI that older adults benefit from the security of being in control of their environment and that can be enhanced by being well informed during a process of upheaval.²⁶ Identifying ways to engage young people is

²⁶ See Robin E. Smith and Kadija Ferryman, “Saying Good-Bye: Relocating Senior Citizens in the HOPE VI Panel Study” (Washington, DC: The Urban Institute, 2006).

important given that they define much of the cultural context of a community, including building relationships among households of different income levels. The first outcome under this goal requires the assembly of all of the relevant documentation on how the process has been carried out (see discussion of the PROC reports). The second step requires HUD to develop a standard way to score the various activities (and participation) that is documented to create an unbiased quantitative summary rating scale for performance on the two elements of this topic: the quality of engagement in the planning process and, then, the quality of the process by which residents are kept up to date on status and plan changes. Remaining indicators under this goal are direct ratings by the residents on the initiative's performance on these elements. The residents provide these ratings to their case managers in periodic surveys as a part of the SSMR.

2. Meaningfully engage community residents in transformation planning and keep them well informed of status in implementation. This section parallels the one above but pertains to the neighborhood as a whole rather than just the residents of the selected HUD assisted housing developments. In this case, the engagement process involves substantially larger numbers and provides an opportunity to forge relationships between community residents and residents of the transformation development. The engagement process will also involve work with a larger number of resident associations and nonprofits. Accordingly, rating summary scales will have to be constructed in a different way. Another difference is that resident satisfaction with engagement and information process will be gleaned from the optional overall Neighborhood Survey (NS).

3. Responsible relocation. An important lesson from HOPE VI is that relocation cannot be an afterthought; indeed, relocation needs to receive the same priority and attention from grantees as physical redevelopment. Responsible relocation means

- providing case management to help ensure that residents are lease-compliant and eligible for vouchers or units in the new development;
- giving residents a real choice about where to move;
- offering mobility counseling and housing options in low-poverty opportunity neighborhoods;
- offering opportunities to return to the site; and
- offering long-term follow-up services to ensure that residents are successfully adjusting to their new communities.

In addition, residents of all ages must be actively engaged in planning redevelopment and relocation activities and children and youth must receive priority to ensure that relocation is minimally disruptive to their education. Finally, sites should make every effort to reduce the number of moves families need to make, especially elderly residents or those suffering from serious health problems.

4. Operate the transformed development in a financially sustainable manner. This goal again pertains only to the HUD assisted transformation development, but after it has been transformed (thus, different residents may be involved). The importance of measures of financial sustainability in HOPE VI transformations has been forcefully

documented.²⁷ Financial and social sustainability need to be measured on several fronts. The goals include operating the development on a sound basis from a financial and property management status, and also working toward social integration and social capital building in a mixed-income environment.²⁸ Standard operating ratios in property ownership and management can be adapted for this work. However, new measures may be needed to assess social stability and integration. Some measures (e.g., vacancy rates, turnover rates) are important to objectives in all areas.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.8
TRANSFORMATION PROCESS QUALITY AND FINANCIAL AND SOCIAL SUSTAINABILITY OF TRANSFORMATION DEVELOPMENT

GOAL	OUTCOME	INDICATOR (show achievement vs. target)	SOURCE ^a
<i>Meaningfully engage assisted housing residents in transformation planning and keep them well informed of status in implementation</i>	Engagement and information process events/activities of sufficient quantity and quality	# of events and participation (by type)	PROC
		Engagement process rating scale	Calculated
		Information program rating scale	Calculated
	Children and youth are connected and engaged throughout the redevelopment process	# of events and participation in events for engaging young people in process	RMR
	Residents understand transformation process	Resident understanding rating scale/indicators	SSMR
	Residents satisfied with transformation process	Resident satisfaction rating scale/indicators	SSMR
	Residents well informed about process status	Resident awareness rating scale/indicators	SSMR
<i>Meaningfully engage neighborhood-wide residents in transformation planning and keep them well informed of status in implementation</i>	Engagement and information process events/activities of sufficient quantity and quality	# or quality of events and participation (by type)	PROC
		Engagement process rating scale/indicators	Survey
		Information program rating scales/indicators	Survey
	Residents understand transformation process	Resident understanding rating scale/indicators	Survey
	Residents satisfied with transformation process	Resident satisfaction rating scale/indicators	Survey
	Residents well informed about process status	Resident awareness rating scale/indicators	Survey

²⁷ Martin D. Abravanel, Diane K. Levy, and Margaret McFarland, "The Uncharted, Uncertain Future of HOPE VI Redevelopments: The Case for Assessing Project Sustainability" (Washington, DC: The Urban Institute, 2009).

²⁸ Measures to assess the environmental performance of transformation developments are included in table 2.1A as changes in energy use in the transformation development.

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.8 (continued)

TRANSFORMATION PROCESS QUALITY AND FINANCIAL AND SOCIAL SUSTAINABILITY OF TRANSFORMATION DEVELOPMENT

GOAL	OUTCOME	INDICATOR (show achievement vs. target)	SOURCE ^a
<i>Responsible relocation</i>	Residents are meeting tenant obligations	% lease compliant	RMR
		% paying rent on time	RMR
		% involuntary terminations (evictions) during relocation/redevelopment period	RMR
	Residents understand housing options	% attend briefings about relocation options	RMR
		% attend staged relocation options	RMR
		% receive assistance with housing search and mobility assistance	RMR
		% attend apartment viewings in low-poverty neighborhoods	RMR
		Amount of dollars set aside for moving costs and security deposits	RMR
	Residents have choices about where to live	% relocated on-site	RMR
		% who want to return to site, actually do	RMR
		% who want to move to another opportunity site, actually do	RMR
		% living in opportunity neighborhood	RMR
		% living in better neighborhood than pre-transformation	RMR
	Residents are stably housed during relocation	% relocated	RMR
		# of moves between first and site completion date	RMR
Vulnerable populations are supported during relocation	Relocation is minimized	SSMR/AIRW	
	% of children and youth enrolled in new school due to relocation	RMR	
	School move occurs during the school year due to relocation		
	Characteristics of new school		
	# of activities targeting senior movers		
	% seniors attending briefings on relocation	RMR	
<i>Operate the transformation development in a financially sustainable manner</i>	Development operated in financially and managerially sustainable manner	Financial management rating scales/indicators	AHMR
		Property management rating scales/indicators	AHMR
		Resident satisfaction with financial management	AHMR
		Resident satisfaction with property management	AHMR

CHOICE NEIGHBORHOODS PERFORMANCE MEASUREMENT

Table 2.8 (continued)

TRANSFORMATION PROCESS QUALITY AND FINANCIAL AND SOCIAL SUSTAINABILITY OF TRANSFORMATION DEVELOPMENT

GOAL	OUTCOME	INDICATOR (show achievement vs. target)	SOURCE ^a	
<i>Operate the transformation development in a financially sustainable manner</i>	Coordination among service providers	# of service providers	AHMR	
		Effective databases (All service providers using single database)		
		Staff commitment		
		Meeting regularly with service providers as a team		
	Provide operating and capital needs for resident services	Amount of money set aside for resident services	AIRW/RAR/SSMR	
		Development operated in socially integrative and sustainable manner	Events/activities rating scales/indicators	AHMR
			Resident satisfaction with social environment	AHMR
	Resident association operating effectively	Indicators of resident social integration	AHMR	
		Association activity indicators	PROC	
		Resident satisfaction with association	PROC	

a. Abbreviations in the Source column refer to the management reports described in the upcoming section or to datasets described in appendix A.

Instruments and Methods for Data Collection

Management Reports

We suggest implementing a systematic, uniform performance measurement system. Such a system would entail a series of standard data collection vehicles, which we refer to as management reports. Our purpose in this paper is not to design final management reports (the focus of those reports may vary over time as managers shift priorities), but to define the comprehensive data collection needed to ensure that information will be available to assess all relevant aspects of change and its determinants when needed. We believe that gathering the data needed to address the goals and outcomes in the proposed logic model prompts the development of nine data collection instruments—reports that, if defined efficiently, should not imply an overly burdensome reporting process given the types of information housing and community development agencies currently collect and the significant public investment in Choice Neighborhoods.²⁹ As noted in the introduction, if HUD mandates and supports a common software system, it should be possible to incorporate all of these reporting tools into a single, integrated web-based system.

²⁹ The amount of data described in the performance measurement indicator tables will require a significant investment of time and resources on the part of HUD to define and create a unified system and on the part of grantees to identify and collect the information.

1. Assisted Housing Development Reports (AHDR)
2. Assisted Housing Management Reports (AHMR).
3. Resident Administrative Records (RAR)
4. Relocation Management Reports (RMR)
5. Supportive Services Needs Assessment (SSNA).
6. Supportive Services Management Reports (SSMR)
7. Administrative Indicators—Neighborhood Conditions (AINC)
8. Administrative Indicators—Resident Well-Being (AIRW)
9. Transformation Process Reports (PROC)

(Note that the first six of these reports would also be required for any locally funded efforts to transform other assisted housing projects in the neighborhood in addition to the HUD developments that are the focus of Choice Neighborhoods).

While the administrative indicators provide proxies to cover the essentials on overall neighborhood outcomes, we think it advisable to suggest and discuss an additional, 10th, data collection effort where resources permit a broader, more comprehensive evaluation.

10. Neighborhood Survey (NS)

Contents of each of these reports are summarized as follows:

1. Assisted Housing Development Reports (AHDR). These reports would be very similar to the management reports regularly prepared for all HOPE VI developments. They would report on numeric goals for planned activities and achievement against the plan as of the reporting date, for new construction and rehab (housing units by assistance status and rent levels), relocation (by type of initial destination), demolition, budgets and expenditures by source of funds and expenditure type (thereby measuring leverage), and milestone dates. To be responsive to Choice Neighborhoods goals, these reports would include two types of data *not* provided in the HOPE VI reports: housing quality (REAC scores before and after); and income mixing (rent ranges of units offered after development). The report would include similar indicators for community improvements (e.g., recreation centers) being developed or refurbished on site, with alternative measures as appropriate (e.g., square footage instead of number of units).

2. Assisted Housing Management Reports (AHMR). This report would be provided periodically (e.g., quarterly) by the management entity responsible for the development after the transformation has taken place (then a mixed-income environment). It would include data on the mix of rent ranges and owner-occupied housing prices across the project as a whole and on changing housing quality (REAC

scores), including average utility costs. The report would present a series of financial and other operating ratios that would be a basis for assessing the development's financial and managerial sustainability. Further, it would report on activities undertaken by the management entity and others to promote social integration across races and income groups. (Raw data will be available but summary rating scales and indexes from these measures would also be developed). Finally, if feasible and resources allow, the report could also include the results of a periodic survey of the residents—asking them about their satisfaction with various aspects of living in the development and about other topics that would be a basis for assessing the development's "social stability."

3. *Resident Administrative Records (RAR)*. This report would contain records on all assisted residents derived, and recurrently updated, from means test records (50058 and 50059 forms). It would contain data on household characteristics (number of individuals by age, race, etc.), income by source, employment, and other relevant information about each household.

4. *Relocation Management Reports (RMR)*. These would be built on a data system that would track relocation for every original resident in the assisted projects (based initially on the roster of all residents from the RAR noted just above). It would include information on milestone dates in the relocation process, quality and extent of relocation support and mobility counseling provided, addresses and characteristics of relocatee destinations (initial and subsequent), and linkage to records in the Supportive Service Management Reports discussed below. At a minimum, relocation information would be collected until a relocated household makes their permanent move. However, the longer information is collected on original residents of the transformation properties, the better able program managers will be to answer questions on how these residents are doing. This could be important information for program administrators, policymakers, and evaluators.

5. *Supportive Services Needs Assessment (SSNA)*. Services needs assessments were conducted in HOPE VI, but they were not comprehensive and did not follow consistent and rigorously specified protocols across projects. In this system for Choice Neighborhoods, a consistent approach would be followed to identify social service needs for each resident household (and then to permit classifications on spectrums from "hard to house" to "near self-sufficiency"). HUD would provide grantees with a standard assessment tool to use; the framework for these assessments would take advantage of the approach for classification recently proposed by the Urban Institute based on the Chicago Family Case Management Demonstration.³⁰ The Assessment surveys would be conducted as soon as possible after Choice Neighborhood project approval so data on original residents could be gathered expeditiously and serve as a basis for rapid service mobilization. The data from the

³⁰ Brett Theodos, Susan J. Popkin, Elizabeth Guernsey and Liza Getsinger, "Inclusive Public Housing: Services for the Hard to House" (Washington DC: The Urban Institute, forthcoming).

assessment would be linked to household records on the RAR roster, but would be reported to HUD in aggregate form.

6. *Supportive Services Management Reports (SSMR)*. After the completion of the Needs Assessment, case managers would be assigned to help households as appropriate. They would receive a computer record (data from RAR and SSNA) for each household in their caseload. They would then add to the record as services were scheduled and received (identification of provider, dates and nature of service [relocation vs. follow-up contact], referrals, etc.). Every six months, the case managers would ask each of their clients a short list of questions about changes in the status of their family members (e.g., new jobs, high-school graduations, serious medical problems, etc.). These too would be entered in the record to be summarized in Choice Neighborhoods goal-related results reports. Data from the RMR would also be linked so that the Choice Neighborhoods results reports could summarize services received and changes in status for different groups—for example, not yet relocated, relocated to other public housing, relocated via voucher. (The record would also contain information on changes in case managers, as might well occur at the time of relocation).

7. *Administrative Indicators—Neighborhood Conditions (AINC)*. Over the past decade, there have been substantial improvements in the availability of relevant administrative data that are geo-coded, and thus that can be tabulated at the neighborhood level. First, there are now a series of datasets that are released by national agencies. These can be made available directly for any neighborhood selected for Choice Neighborhoods. Indicators from national files related to neighborhood conditions include, for example, number of home purchase loans originated per 1,000 base units, median amount of home purchase loans, percent of residential addresses vacant for three months or more, school enrollment, school quality (as measured by student proficiency), number of businesses and employees by industry, and number of bank branches.

Second, in many cities, local data intermediaries have developed data systems with a considerable amount of neighborhood-level data derived from local agency administrative records. These are not now available everywhere, but they normally can be developed for specific neighborhoods at low cost. It seems reasonable to require local Choice Neighborhoods management teams to work with local data holders to develop and update a limited number of these indicators as a part of Choice Neighborhood results reporting. Normally, all of these indicators can be updated annually. Indicators from frequently available local data files related to neighborhood conditions include, for example, crime rates (violent and property crimes), housing sales volumes and prices, units authorized (new construction and rehab) by building permits, and percent of residential properties in the foreclosure process. (Appendix A provides a more complete discussion of available administrative data files.)

8. *Administrative Indicators—Resident Well-Being (AIRW)*. Similarly, a considerable number of indicators pertaining to resident well-being are also available

from these national and local sources. Those from national files related to resident well-being include, for example, gross income and share with income from various sources (from IRS files), share of primary school students eligible for lunch subsidies, and share of home mortgage borrowers by income level. Indicators from frequently available local data-files related to resident well-being include, for example, share of families receiving TANF and Food Stamps, percent of births with teen mothers or low birth weights, and percent of students in neighborhood schools proficient in math and English at 3rd and 8th grade level.

9. *Transformation Process Reports (PROC)*. This source implies a very different type of monitoring than the other reports. There can be no simple and reliable quantified index of how well the local program managers perform in engaging the residents in the process of planning and implementing the transformation or of the effectiveness of the process overall. It is possible, however, to document many features of the process in an unbiased manner and allow persons with respected judgment to review the documentation and make assessments accordingly. This requirement implies that program managers need to create a number of documents and keep copies in an orderly manner: all communications with residents about the process along with agendas, attendance lists, and minutes from all meetings. This collection should also include the written plans for Choice Neighborhoods implementation prepared for HUD and local sponsors. Finally, if feasible, these reports could also include results from surveys of residents, asking for their perceptions of their involvement in all aspects of program development.

10. *Neighborhood Survey (NS)*. All of the above reporting mechanisms are relatively inexpensive to implement. Yet there are some important measures related to goal achievement that they cannot capture well. A random sample survey of neighborhood residents, conducted at baseline and every one to two years thereafter would be expensive, but it would add substantially to the value of the measurement process and to what we could learn from this ambitious comprehensive community redevelopment effort.

There are at least three recently implemented surveys that cover relevant topics and have a battery of reliable, well-tested questions that could form the basis of a panel survey for Choice Neighborhoods (the Urban Institute's HOPE VI Panel survey, the survey for the Chicago Family Case Management Demonstration, and the cross-site survey implemented by the Annie E. Casey Foundation's Making Connections Initiative). These surveys should be supplemented with complementary qualitative data collection efforts, such as focus groups or in-depth interviews that will provide a richer picture of residents' experiences. The topics these surveys cover include resident employment, income, assets, and debts; measures of family hardship; receipt of public assistance; resident mobility; indicators of well-being of children; resident social networks and

participation; resident perceptions of community problems (e.g., crime); and resident satisfaction with local services (ranging from street repair to employment training).

APPENDIX A

**DATASETS WITH REGULARLY UPDATED
INFORMATION AT THE NEIGHBORHOOD LEVEL****NATIONAL DATASETS**

The following national datasets have been acquired, cleaned, streamlined, and restructured by the Urban Institute to make sound data available to community users. All of these could be provided with recurrent updates to managers of Choice Neighborhood programs for their neighborhoods. All (except for the Picture of Subsidized Households) are updated annually. The first group provides point data or data at the census tract level.

- *Home Mortgage Disclosure Act (HMDA)*. Originally established to monitor discrimination in the mortgage market, this file contains data that can provide a broader understanding of neighborhood change. For example, it provides data on mortgage origination rates, changes in median loan amounts, share of loans by investors (rather than owners), share of owner loans by race and income of borrowers, and share of loans that are subprime and high cost, as well as denial rates by race and ethnicity of applicants (<http://www.ffiec.org/hmda>).³¹
- *National Center for Education Statistics (NCES)*. Data for individual public schools (point-locations) with indicators on such topics as level of enrollment, racial composition of enrollment, student-to-staff ratios, and eligibility for free or reduced-price lunches (<http://www.nces.ed.gov/surveys/SurveyGroups.asp?>).
- *A Picture of Subsidized Households (APSH)*. Data from HUD on characteristics of households that receive HUD subsidies, by program. Point-locations are provided for project data (so one can add across projects to create summaries at any geographic level), and data on households assisted by housing vouchers are aggregated at the tract level (latest data available are for 2000).
- *LIHTC and Section 8*. Data on number of units and some characteristics of projects supported via the Low Income Housing Tax Credit and Section 8 Project Based programs. As with APSH, point-locations are provided for project data (so one can add across projects to create summaries at any geographic level).
- *FDIC Insured Institutions*. Information on the point-locations of full-service and limited-service bank branches (<http://www2.fdic.gov/idasp/main.asp>).

³¹ A comprehensive review of HMDA data and its uses is provided in Kathryn L.S. Pettit and Audrey Drosch, *A Guide to Home Mortgage Disclosure Act Data* (Washington, DC: Urban Institute, 2008).

- *USPS (United States Postal Service) Vacancy Survey*. Data on vacant properties by length of time vacant.

Two additional files (also updated annually and available from UI) should be valuable even though they provide data at the zip-code level (census tracts can be aggregated to ZCTAs, areas that approximate zip code boundaries).

- *Internal Revenue Service (IRS)*. Data aggregated to the zip-code level from income tax returns on a number of variables including, for example, income level, income by category (wages and salaries, interest, etc.), EITC status, and number of exemptions (<http://www.irs.gov/taxstats/indtaxstats/article>).
- *Zip Business Patterns*. Number of business establishments and employment by establishment size and industry type categories at zip code level (http://www.census.gov/epcd/www/zbp_base.html).

We do not include measures that will be provided from the 2010 Census or American Community Survey since it is likely to be 3-4 years before useful tract-level data from those sources will not be available for three or four years.