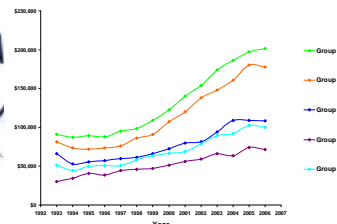


# *Tracking the Outcomes of Housing and Community Development Investments*

Chris Walker  
Director of Research and Assessment  
*Local Initiatives Support Corporation*

**Kansas Affordable Housing Conference  
Wichita, KS  
August 11, 2011**



## The Usual Starting Place: The Logic Model

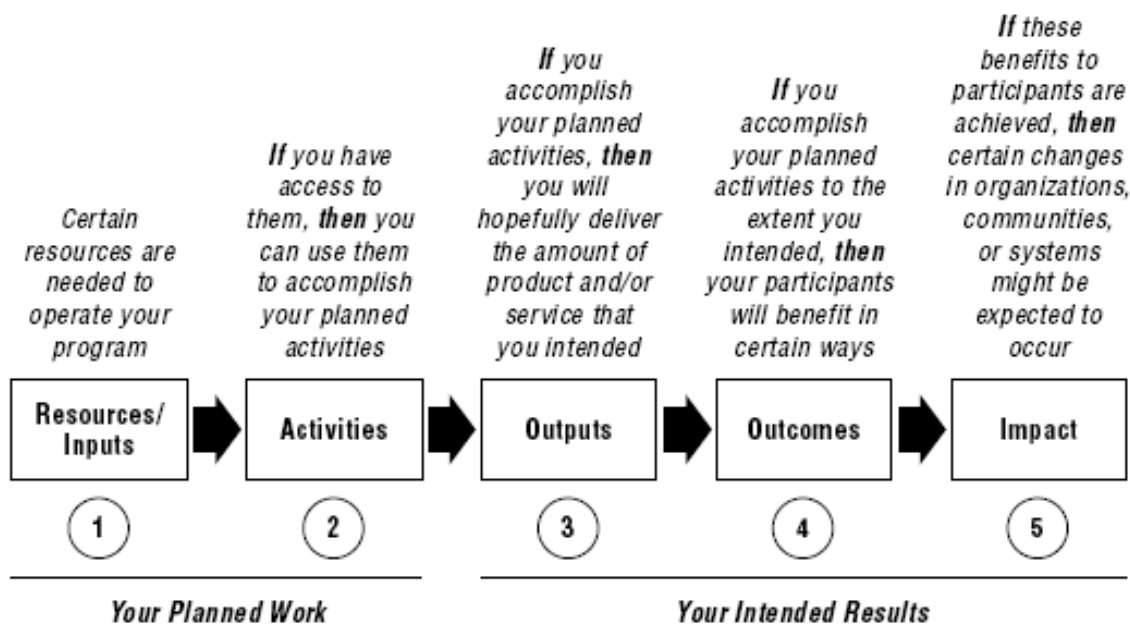
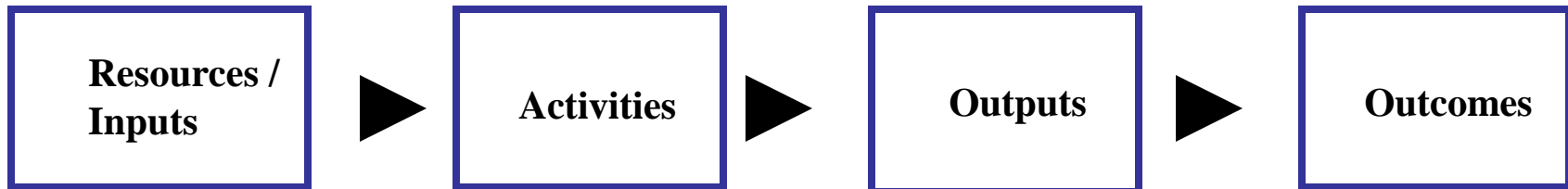


Figure 2. How to Read a Logic Model.

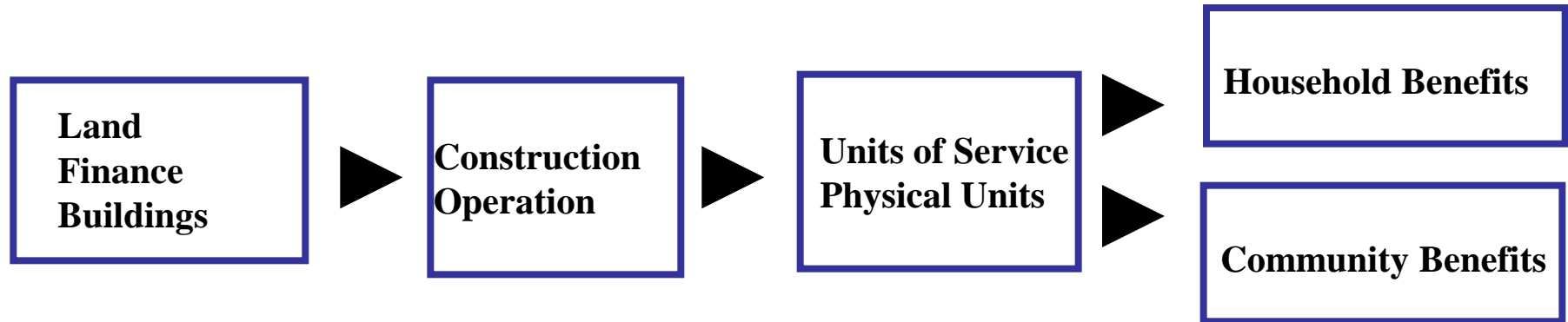
Source: W.K. Foundation, Logic Model Development Guide.

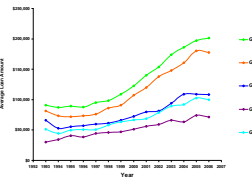
# The Housing Logic Model

## *Logic Model Framework*

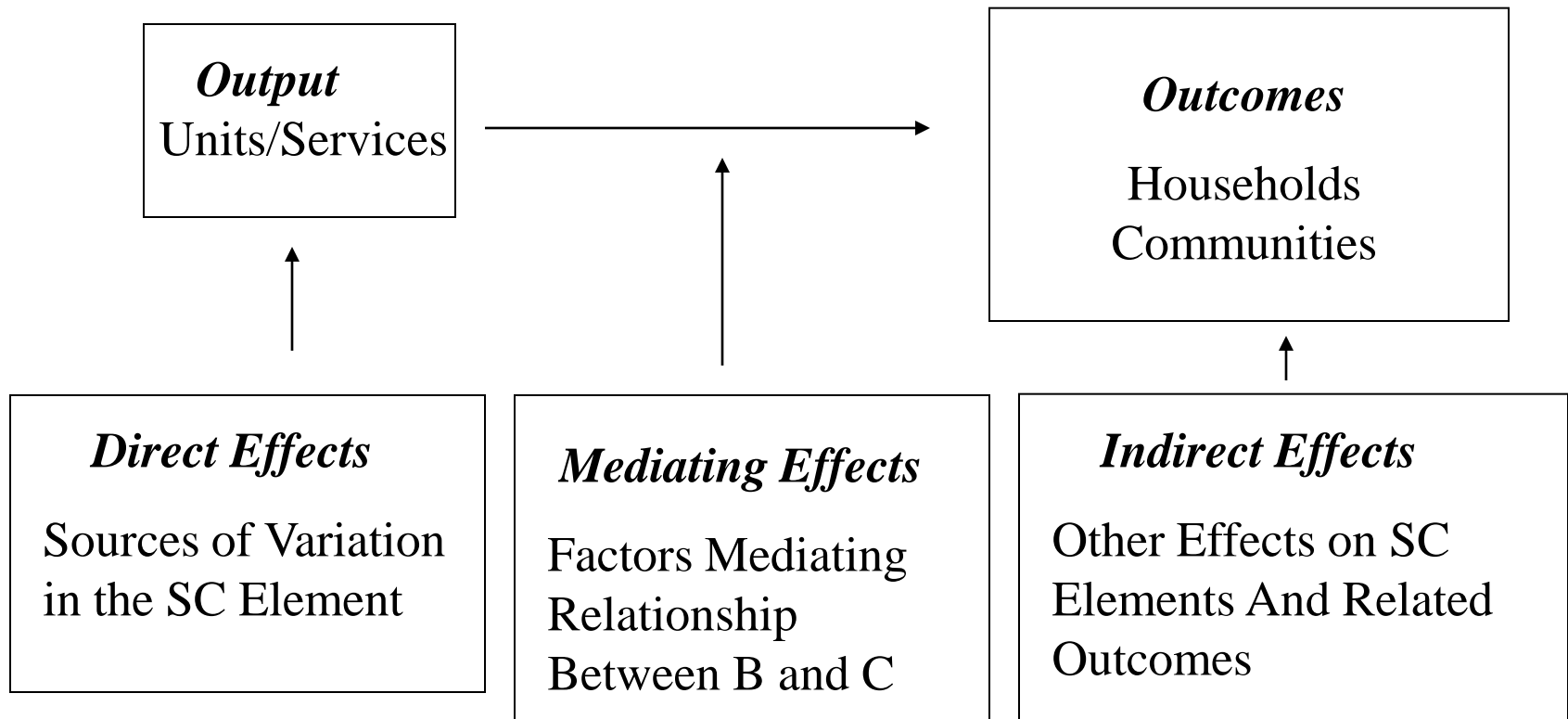


## *Applied to Housing*

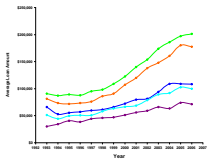




## A Brief Detour: Expanded Logic Model as Evaluation Framework



**Performance Measurement Generally Ignores These Effects**



# Unpacking Housing Outcomes

**Immediate Outcomes**  
("Easy" to Measure)

**Ultimate Outcomes**  
(Hard to Measure)

**Households**

Disposable Income  
Stable Tenure  
Safe & Sanitary

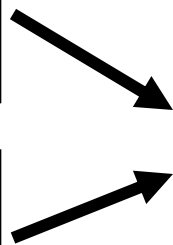
Safe Surroundings  
Better Schools  
Access to Services

Education  
Health  
Employment

**Communities**

Blight Removal  
Social Transition  
Increased Demand

Housing Investment  
Retail Activity  
Employment



# Selected Options for Housing Outcomes Tracking

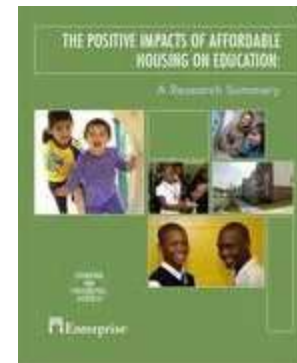
<b>Option</b>	<b>Outcome Type</b>	<b>Analysis Type(s)</b>	<b>Data Type(s)</b>
Kid's Health And Education	Household	Simulated Actual	New / Existing
Employment and Retail	Spatial	Simulated	Existing
Multiple Neighborhood	Spatial	Actual	Existing
Neighborhood Quality / Price	Spatial	Actual	Existing

# Research Summaries from Center for Housing Policy

*The Role of Affordable Housing in Creating Jobs and Stimulating Local Economic Development: A Review of the Literature*



*The Positive Impacts of Affordable Housing on Education: A Research Summary*



*The Positive Impacts of Affordable Housing on Health: A Research Summary*



# Unstable Housing and Children's Education

## When students have unstable housing, and move frequently:

- Often doubling up with relatives, children have no quiet place to study or do homework.
- Children fall behind when they switch schools frequently.
- If teachers don't know recent arrivals well, they cannot address individual students' strengths and weaknesses.
- Even stable students lose learning, because of time spent repeating lessons for newcomers.
- Teachers lose connection with students when classrooms must be reconfigured when they get too large or too small during the year.



**Economic Policy Institute**  
Research and ideas for Shared Prosperity

**Richard Rothstein**  
Research Associate,  
Economic Policy Institute  
[riroth@epi.org](mailto:riroth@epi.org)

## Unstable Housing and Children's Health

### Housing insecurity harmful to young children's health and development

- Crowding/Doubling up – associated with increased risk of household and child food insecurity
- Frequent moves associated with increased risk of:
  - Food insecurity
  - Child food insecurity
  - Fair or poor health
  - Developmental delays
  - Lower weight for age

DB Cutts, AJPH, Forthcoming 2011

12

*Elizabeth L. March*  
Children's HealthWatch

# Sources of Comparison Data to Measure Subsidized Household Outcomes

## Immediate Outcome

## Source of Comparison Data

### Disposable Income

HUD Fair Market Rent  
American Housing Survey (AHS)  
Local Rent Surveys (Proprietary)

### Stable Tenure

American Housing Survey

### Safe & Sanitary

AHS / NAHB Quality Estimates

### Safe Surroundings

Uniform Crime Reports / Local Police

### Better Schools

National Center for Educational Statistics

### Access Measures

ACS Commuting Distances

# Employment and Tax Estimates From National Association of Home Builders

The screenshot shows the NAHB website interface in Microsoft Internet Explorer. The browser title is "National Association of Home Builders - Microsoft Internet Explorer" and the address bar shows "http://www.nahb.org/". The website header includes the NAHB logo and navigation links such as "About NAHB", "Newsroom", "Builders' Show", "Publications & Subscriptions", and "Shop NAHB". A main navigation bar contains tabs for "Housing Topics", "Housing Policy", "Housing Data", "Tools", "Community", "Education & Events", and "Your Membership".

The "Housing Data" section is expanded, showing a list of links. The link "Housing's Economic Impact" is circled in red. Other links in the list include "Building Materials Data & Reports", "Construction Statistics", "Economic Forecasts from NAHB", "Economic Publications", "Eye On Housing Blog", "Eye on the Economy", "Financial and Mortgage Markets", "Home Design and Consumer Preference", "Home Sale Prices", "Housing Starts from NAHB", "NAHB 50+ Housing Market Index", "NAHB's 50+ Housing Market Index", "NAHB's Multi-Family Market Indices", "NAHB's Remodeling Market Index (RMI)", and "State and Local Data".

Other visible elements include a "Get Green" section, a "Favorites" sidebar, a "Housing Statistics" table, and an "ONLINE ADVERTISING" banner.

Name	Current	Previous
Housing Starts (3M)	479 Th	510 Th
Building Permits (3M)	517 Th	553 Th

Address bar: http://www.nahb.org/page.aspx?landing/sectionID=113

Paul Emrath  
VP-Survey and Housing Policy Research  
National Association of Home Builders

# National Association of Home Builders Employment Creation Estimates for New LIHTC Projects

## Local Economic Impact of Typical Housing Tax Credit Developments

100 units in a typical family tax credit development:

First-year (construction + ripple effect)

- \$7.9 million in local income,
- \$827,000 in taxes, and
- 122 local jobs.

Ongoing, annual

- \$2.4 million in local income,
- \$441,000 in taxes, and
- 30 local jobs.

## **Economic Impacts of Residential Construction: What Else is Available from NAHB?**

- A. Customized studies (for individual projects / states / local areas) for a fee
- B. Impact estimates for different types of construction
- C. Estimates of cost of new housing to local governments
- D. National impact estimates

# HousingWorks RI Advocacy Campaign

## Special Report

**Measuring the Economic Impact of Affordable Housing in Rhode Island**

3/2010 2010





**HousingWorksRI**  
Quality Affordable Homes for all

Historically, the value and positive impact of affordable homes have been measured by the social benefits they provide—such as fostering stable and prosperous communities, providing shelter security to Rhode Island's working families, stabilizing blighted neighborhoods, and preventing or mitigating chronic homelessness. General assumptions about the economic benefit these homes provide to the state have been made but not measured in Rhode Island.

In spring of 2010, HousingWorks RI commissioned an economic impact study of our state's housing bond dollars and their deployment through the Stability Homes Rhode Island program. This Special Report highlights the results of the study and offers quantitative evidence that the building of affordable homes in Rhode Island is producing a high return on investment, despite our current economic climate.

*"The impact of affordable housing development has traditionally been described to private, philanthropic and public leaders in terms of its social benefits to low-income households and communities, (1) viable communities, (2) the benefits to individuals' quality of life by occupying safe, decent, and affordable housing, and (3) the benefits to other programs... However, these measures do not reflect many quantifiable economic outcomes... Very little analysis has been done using traditional business measures of investment return or other economic measures of affordable housing development's impact."*  
M. Jones and J. Clark  
Economic Impact of Affordable Housing Development

www.HousingWorksRI.org

3/2010 2010
Special Report: Measuring the Economic Impact of Affordable Housing in Rhode Island

### The results

**Rhode Island's Affordable Housing Sector: A Powerful Stimulus to Our Economy**

Our study illustrates how state investments in the development and establishment of affordable homes have supported a substantial amount of jobs and economic activity throughout Rhode Island. For example, the economic impact analysis of state bonds, in 2010 to two years, \$225 million total BHH impact in bond financing has generated our state economy multiplying nearly 16 times and generating almost \$400 million of total economic activity.

BHH Multipliers		
Type	Definition	Multiples
Development multiplier	Total development costs/BHH funds	3.2
Labor income multiplier	Total labor income effect/BHH funds	4.5
Employment multiplier	BHH/Construction development	18.116
Total indirect multiplier	Total impact without BHH funds	71.8

**\$25 million deployed to date:**

BHH units: 547    Total housing units: 844

Leveraged private & federal funding: \$206.8 million

Leverage ratio: 4.1:1

Market impact: ▲

**\$25 million**

Total construction impact: \$192.7 million

Total output multiplier: 15.8 times

↓

**\$10.82 per \$1 of funding deployed**

**Employment & Sector Activity**

Top one sector = Retail at \$238M or 9.1% of total for housing construction

The study also reveals that the \$25 million of BHH funds deployed to date have maintained or generated 3,068 jobs in the state, a great majority of which are full-time. This translates into one job per \$8,170 of total funding deployed, and \$147.1 million in wages. It is estimated that 1,357 construction jobs were created. Based on these calculations and all other factors held constant, we estimate that the entire \$54 million of bond money will support more than 6,100 direct and indirect jobs throughout Rhode Island.

Statewide impact of Entire Bond | \$54 million

Impact type	Employment	Labor Income	Output
Direct effect	2,062	\$185,831,740	\$401,590,584
Indirect effect	354	\$43,276,428	\$100,644,701
Induced effect	2,839	\$172,889,866	\$276,696,778
TOTAL effect	5,255	\$399,997,834	\$778,932,063

Number of jobs created per sector

- Retail stores & food service: 1,312
- Employment, repair, auto work & maintenance: 663
- Employment, repair, auto work & maintenance: 415
- Retail stores: food & beverage: 402
- Motor vehicles: 372
- Bus lines, railroads & transit: 341
- Offices of health practitioners: 300
- Retail stores: motor vehicles: 287
- Retail stores: general merchandise: 286

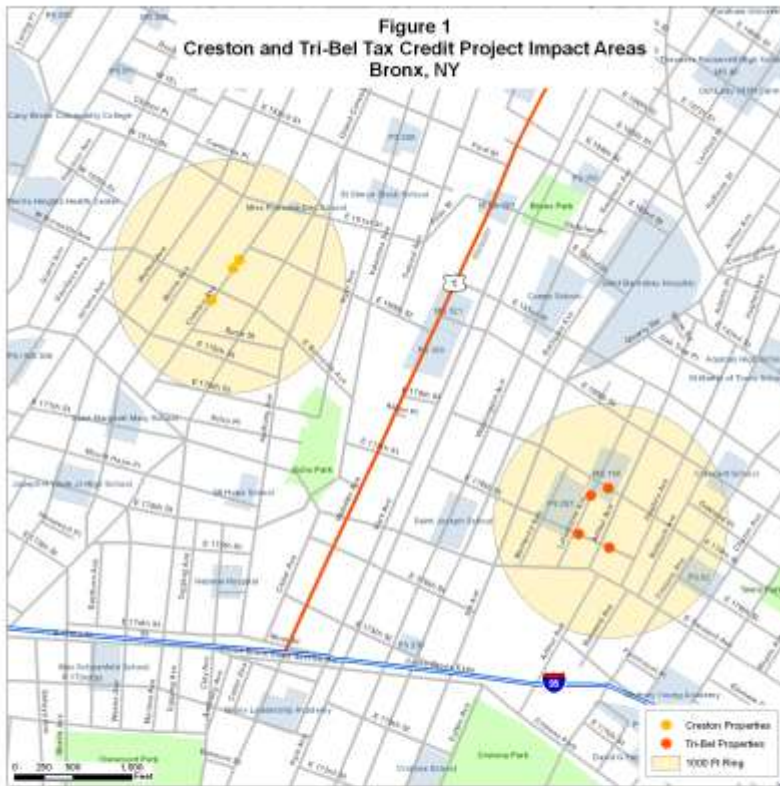
www.HousingWorksRI.org

# IMPLAN Use by Housing Works Rhode Island

## Statewide BHRI Economic Impact

### —Methodology—

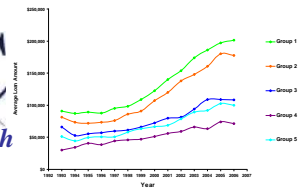
- 🏠 We used IMPLAN to estimate the *multiplier effect* of bond dollars (additional economic spending that ripples through state economy):
  - ⤴ **Direct Effect:** Initial production stimulus & impact on the economy
  - ⤴ **Indirect Effect:** Demand for inputs from directly affected industries (e.g. lumber, cement, architectural services)
  - ⤴ **Induced Effect:** Household change in spending due to additional employment caused by direct & indirect effects (e.g. workers will use wages to shop at the grocery store or buy local products)
  - ⤴ **Total Effect:** Sum of all the above effects



**Affordable Housing for Families and Neighborhoods:**  
The Value of Low-Income Housing Tax Credits in New York City

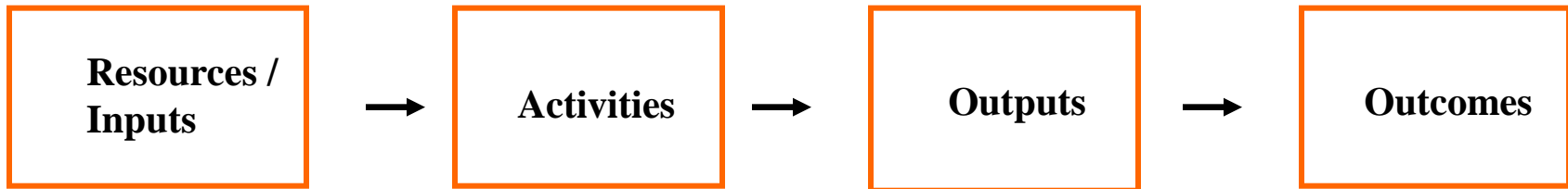
Tri-Bel 90-unit rent savings = \$542,000 / yr  
 320 units of LIHTC within 1/8 mile of Belmont  
 Total LIHTC buying power hike = \$2.4 million.  
 Total area retail demand = \$29 million / year  
 \$2.4 million / \$29 million = 8 percent increase

Total Paid on Market – Total Paid in Tri-Bel Units (Rent Rolls)  
 HUD Database of LIHTC Housing (Abt Associates Survey)  
 Savings Per Project X N of Projects  
 Retail Demand and Leakage Calculations - ESRI  
 LIHTC Buying Power / Total Retail Demand

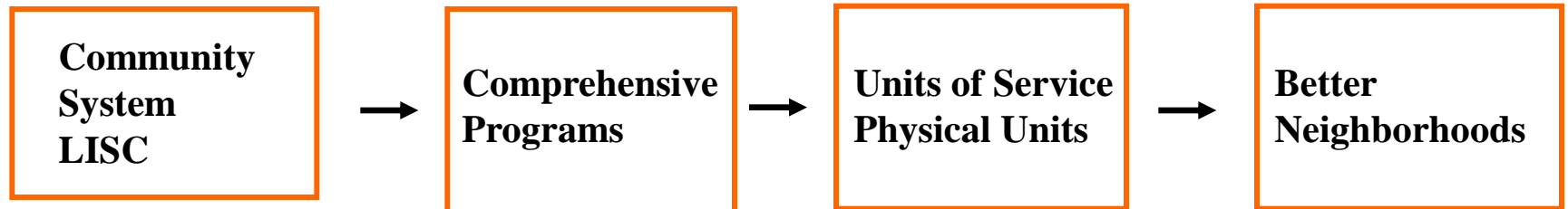


# The Logic Model Applied to Community Development

## *Logic Model Framework*



## *LISC Building Sustainable Communities Logic*



# CHICAGO LISC: QUAD COMMUNITIES

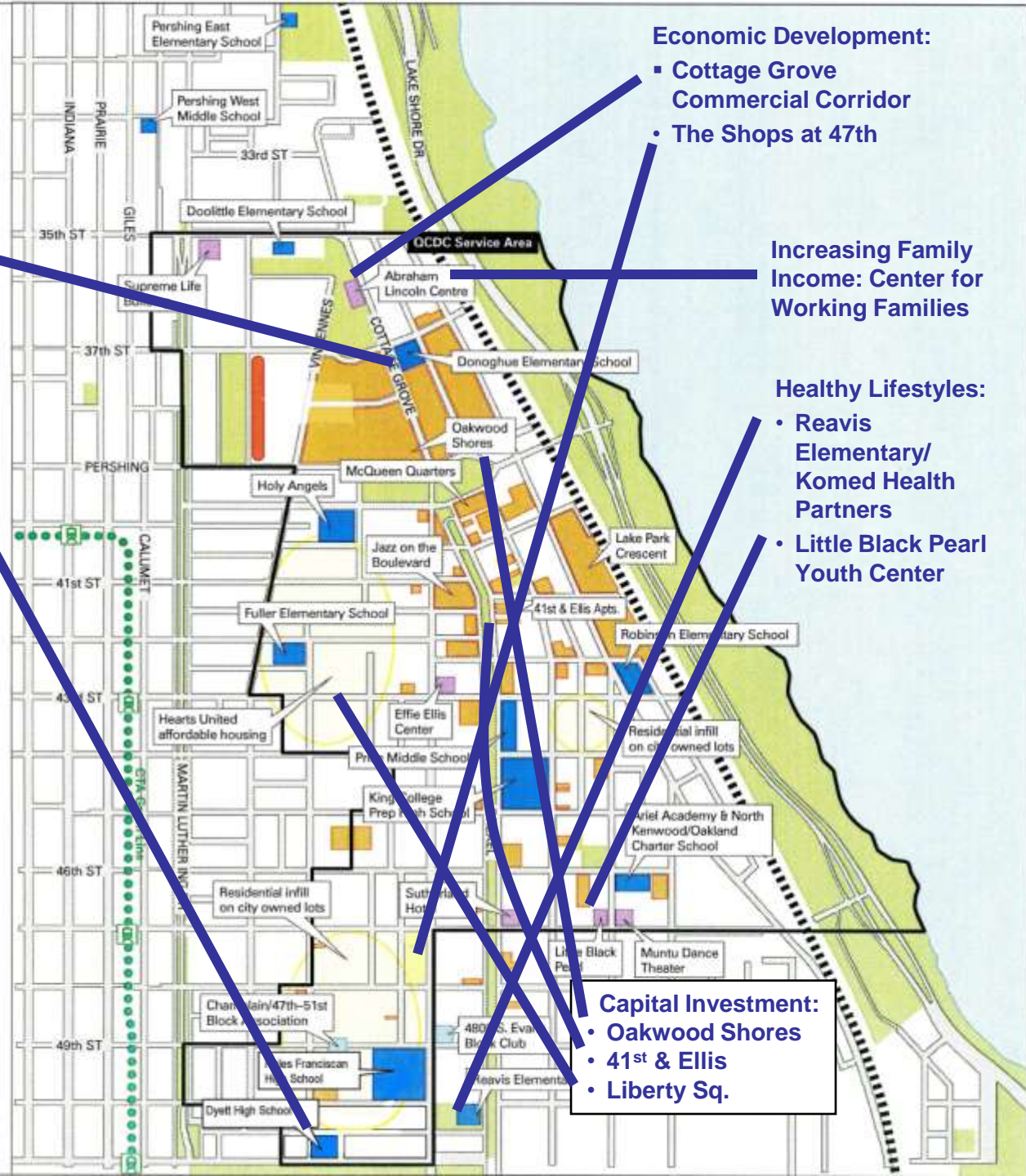
## Education:

- Donoghue Charter Elementary
- Dyett High School

## Area highlights

Current projects include numerous public and private residential developments including the Oakwood Shores, Lake Park Crescent and Jazz on the Boulevard developments, all part of the Chicago Housing Authority's Plan for Transformation. Partner organizations and private developers are involved in many other initiatives to improve our neighborhoods.

-  Residential infill projects
-  Residential projects
-  Schools
-  Institutional/cultural projects
-  Beautification projects



## Economic Development:

- Cottage Grove Commercial Corridor
- The Shops at 47th

Increasing Family Income: Center for Working Families

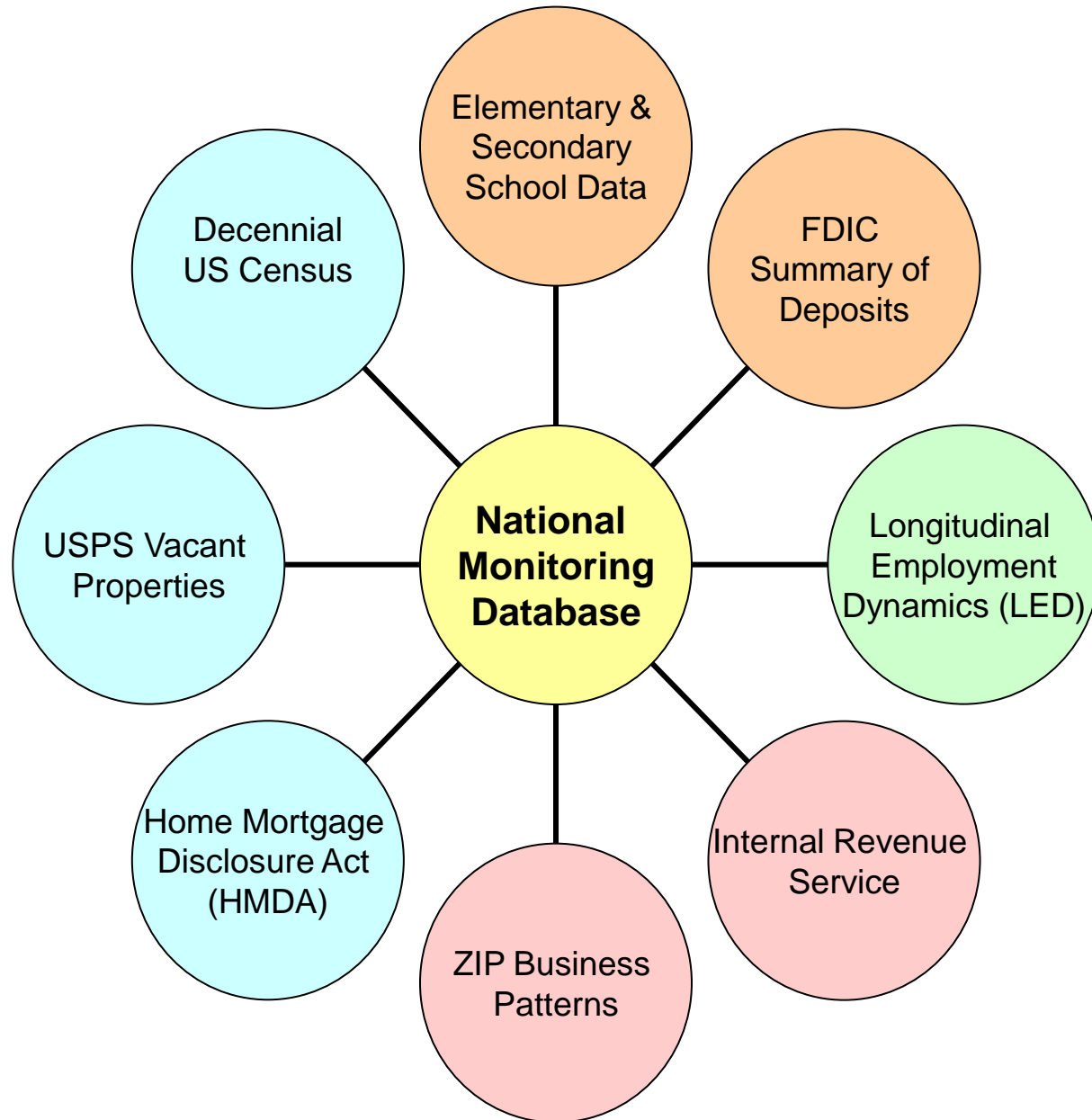
## Healthy Lifestyles:

- Reavis Elementary/ Komed Health Partners
- Little Black Pearl Youth Center

## Capital Investment:

- Oakwood Shores
- 41st & Ellis
- Liberty Sq.

# Data Sources for National Monitoring Database



# Data Sources

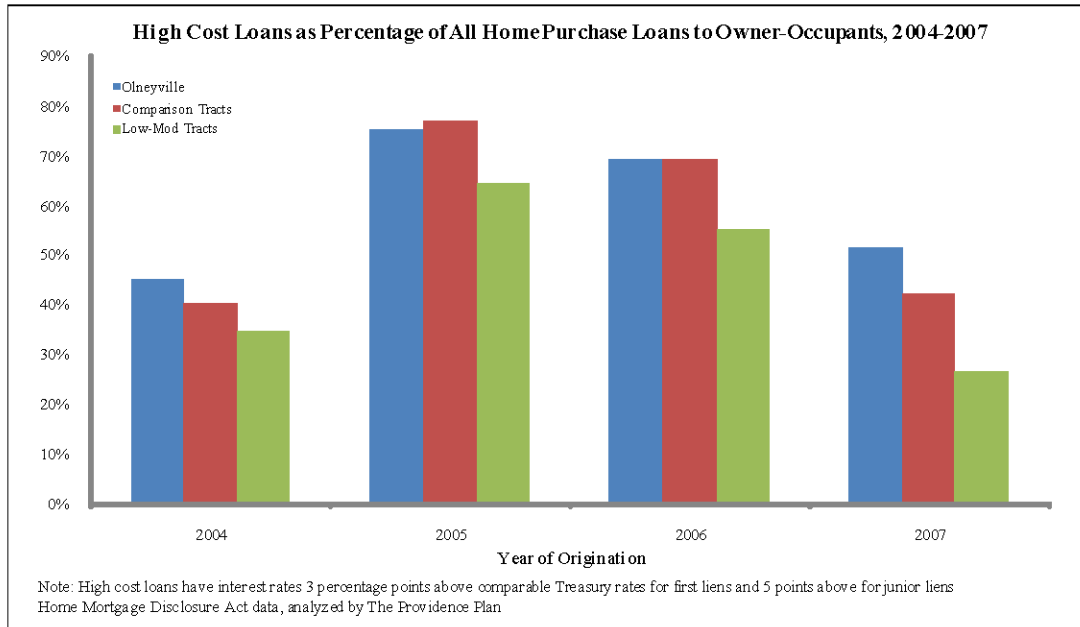
Variables	NCES		IRS		HMDA	Census	USPS	LED
<b>Population</b> Race/Ethnicity, Gender, Age	X				X	X		
<b>Income</b> Income, Poverty, Bank Deposits	X		X		X	X		X
<b>Housing</b> Property Type, Units, Vacancy					X	X	X	
<b>Mortgage Lending</b> Loan Amount, Loan Type					X	X		
<b>Employment</b> Industry, Employment-Size of Firms, Jobs						X		X
<b>Schools</b> Type of School, Students, Education Attainment	X					X		

## Mortgage Loans & Vacant Addresses

Home mortgage amounts track house prices, making them a good indicator of market improvement or decline as well as perceived neighborhood quality. However, national trends in subprime (high-cost) lending, investor purchases, and foreclosures can alter the interpretation of this indicator. Nationwide, subprime lending peaked in 2006 and declined rapidly thereafter, but in some neighborhoods, these loans remain a large percentage of all loans outstanding.

### Interpretation of High Cost Loans (Chart at Right)

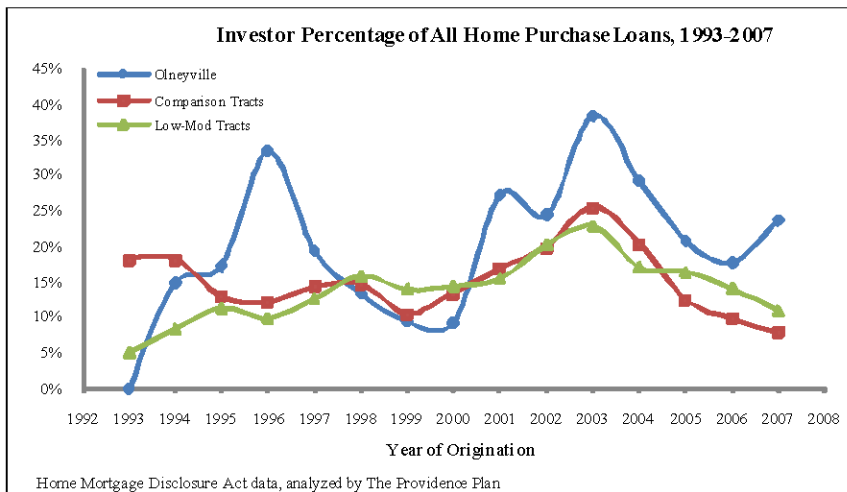
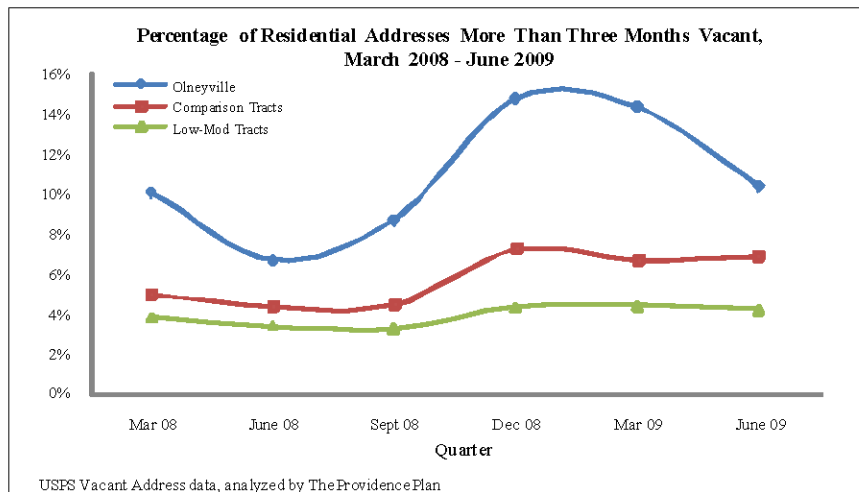
In Olneyville, the percentage of high-cost loans generally remained higher than in other areas from 2004 through 2007. However, the comparison tracts peaked higher in 2005.



### Comparison Area Percent of Target Area Values:

Most Recent Year   - 18%

Over Time (Since 2004)   - 7%



## Resident Employment

Helping low-income residents get jobs and keep them is one of the most difficult community development challenges. Increased numbers of employed residents are a welcome sign of neighborhood strength. Changes in employment levels, as well as the incomes earned by residents, often are tied to the performance of specific economic sectors, which display different patterns of gain and loss.

### Interpretation of Employed Residents (Chart at Right)

In Olneyville, the number of employed residents declined significantly in 2004, as did the Accommodation and Food industry. However, along with the increase of jobs in the Accommodation and Food industry, the number of employed residents increased back to the 2002 level by 2006.

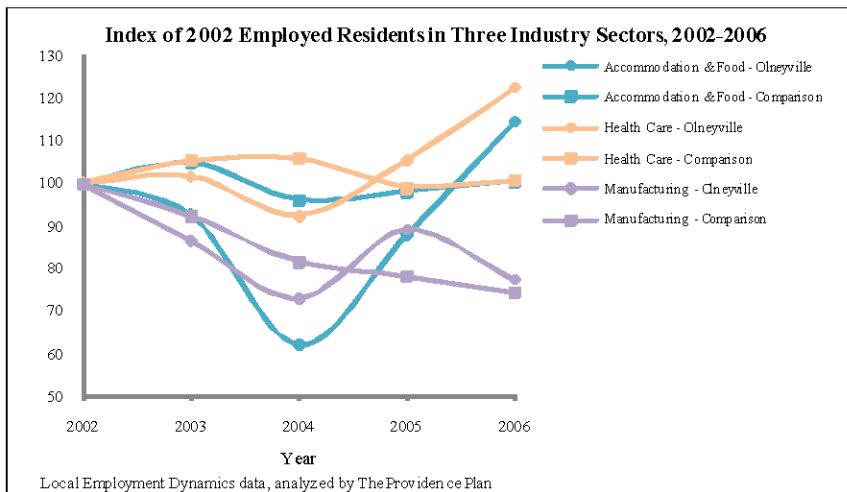
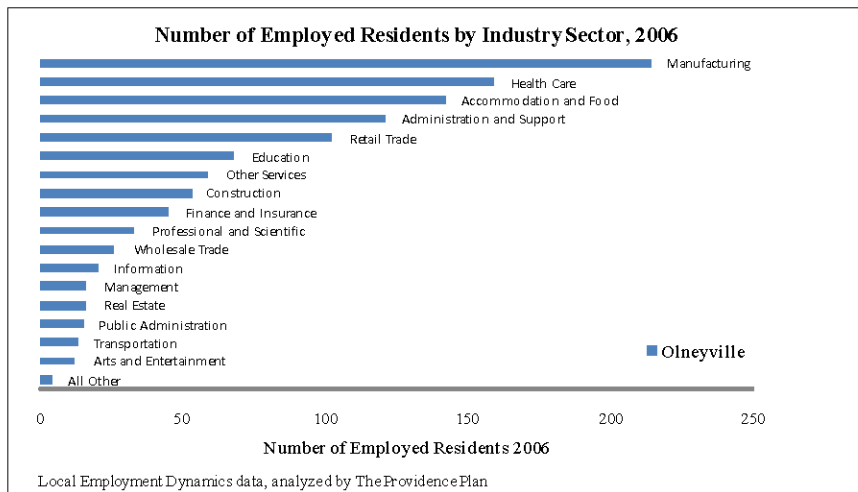
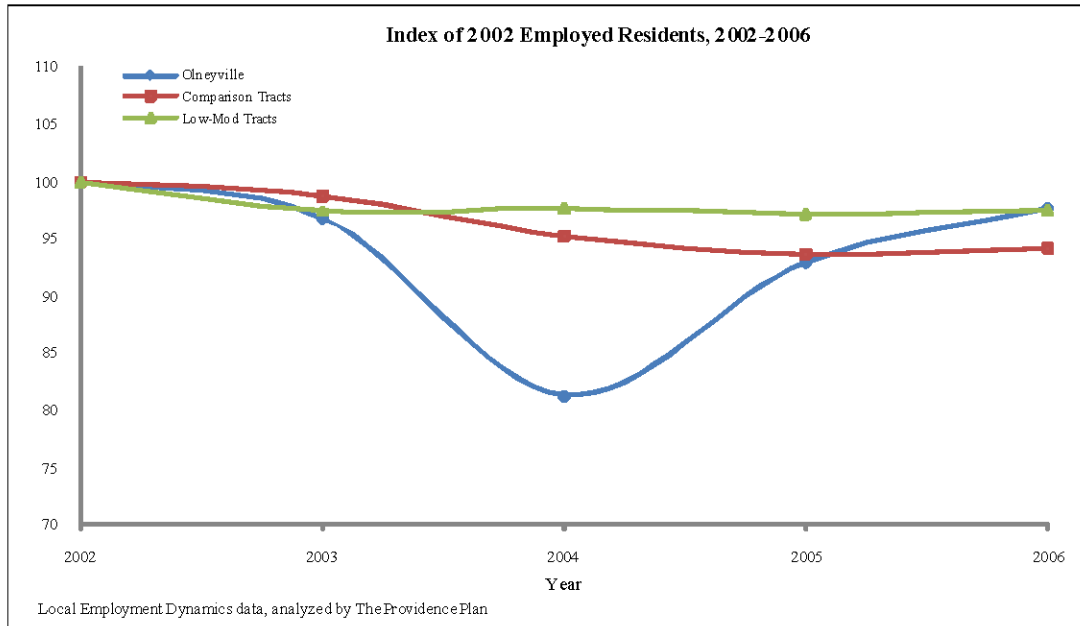
### Target Area Percent of Comparison Area Values:

Most Recent Year

Not Applicable

Over Time (Since 2002)

+ 4%



# Core Indicators of Neighborhood Quality

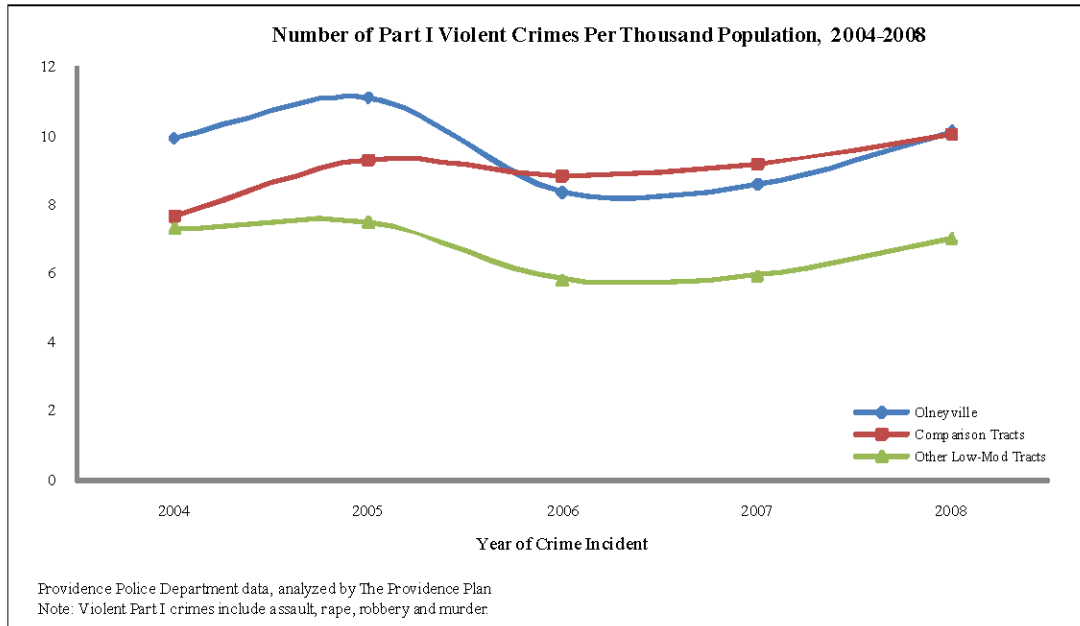
Neighborhood Olneyville  
City Providence

## Violent Crimes

Violent crimes seriously undermine the public's sense of safety and physical well-being. Robberies and assaults are two types of violent crimes. Robberies are considered to be a bellwether of public safety and constitute one of the best indicators to monitor neighborhood trends.

### Interpretation of Violent Crime (Chart at Right)

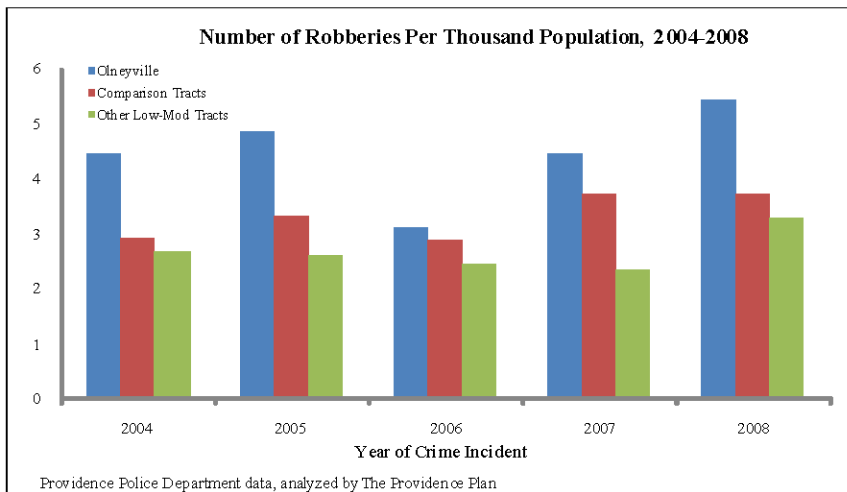
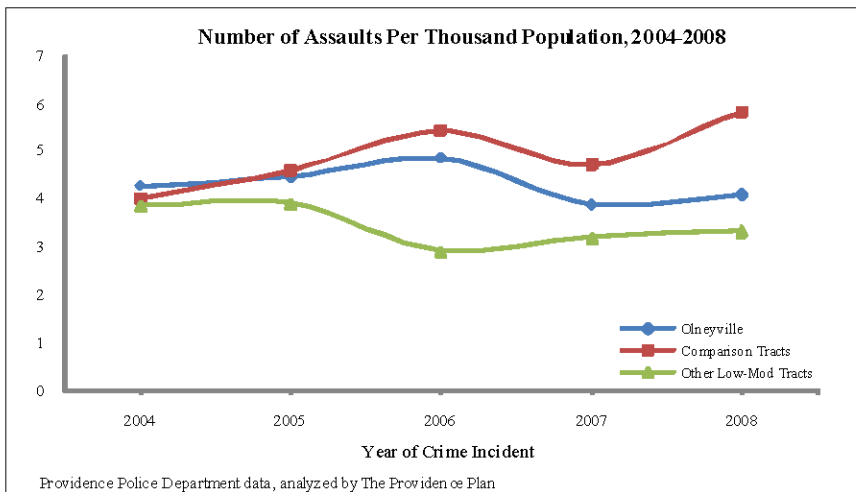
In Olneyville, the number of violent crimes per thousand exceeded the comparison tracts and the other Low-Mod tracts in 2004 and 2005. Violent crimes decreased significantly from 2005 to 2006 and then began to rise in 2007 and 2008.



### Comparison Area Percent of Target Area Values:

Most Recent Year - 1%

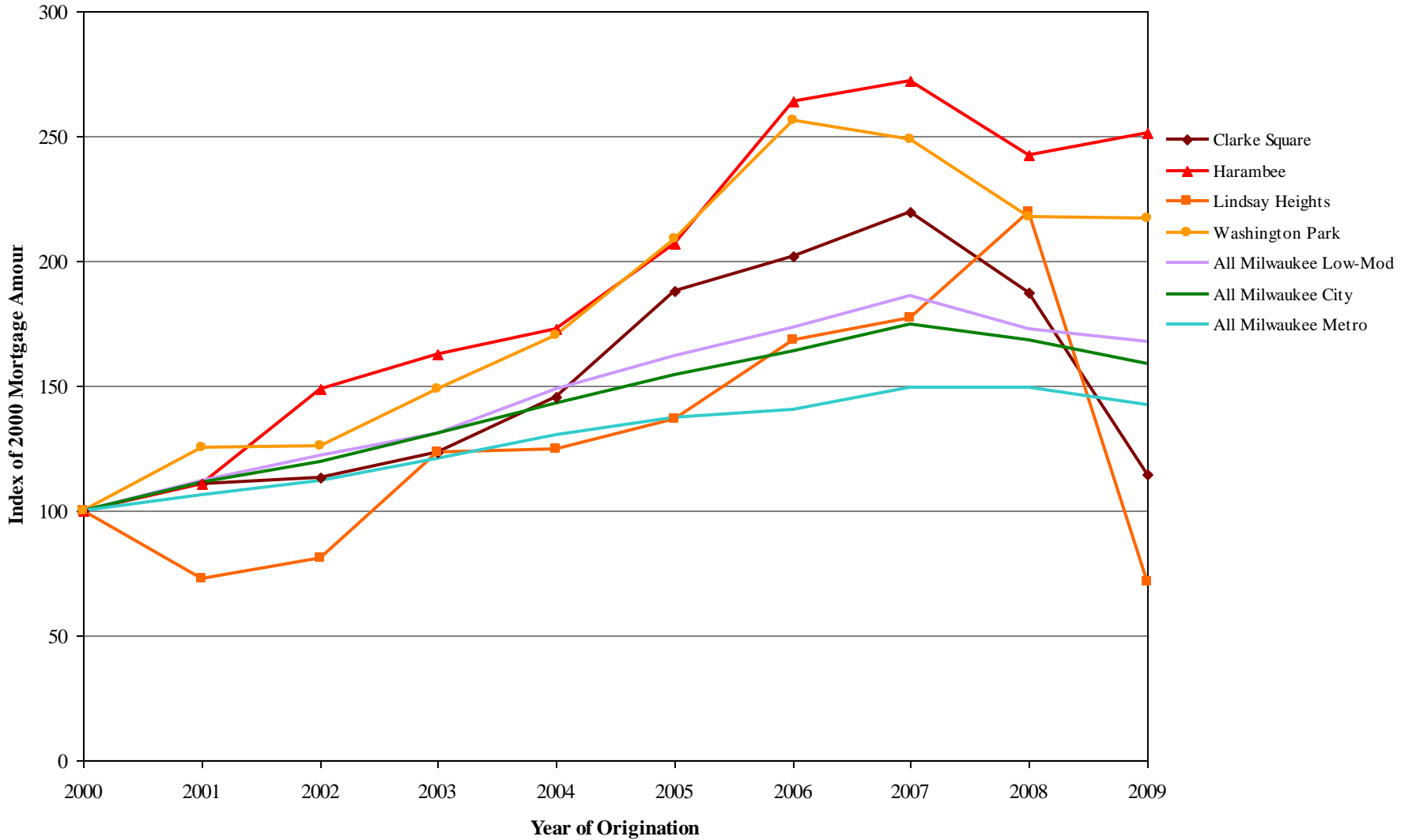
Over Time (Since 2004) + 28%

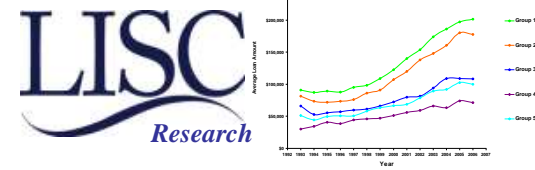


## Median Residential Mortgage Amount in Milwaukee BSC Neighborhoods, 2000 - 2009



## Median Residential Mortgage Amount in Milwaukee By Geographic Area, 2000 - 2009





# LISC Housing Market Index

Number 1<sup>st</sup> Lien Purchase Mortgages to Owner-Occupants /  
Number of Owner-Occupied Units

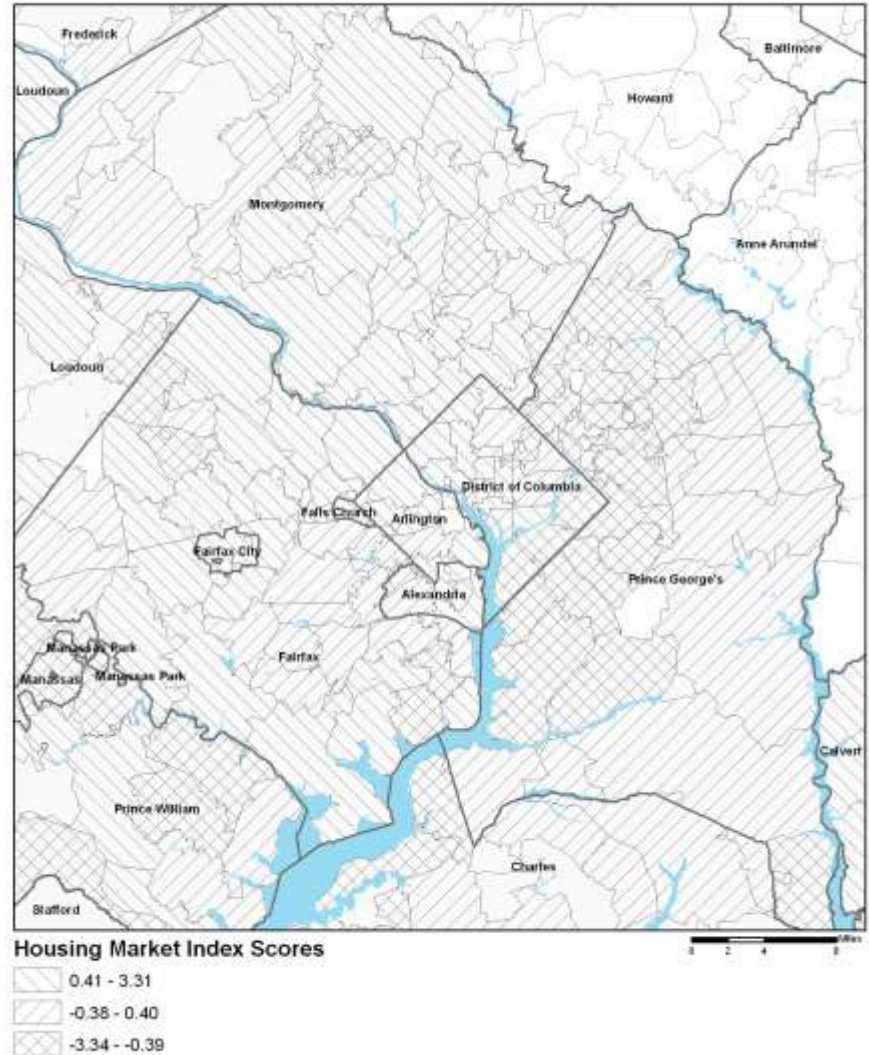
Number 1<sup>st</sup> Lien Purchase Mortgages to Investors /  
Number of Single Family Rental Units

Percent of Loans to Owner-Occupants

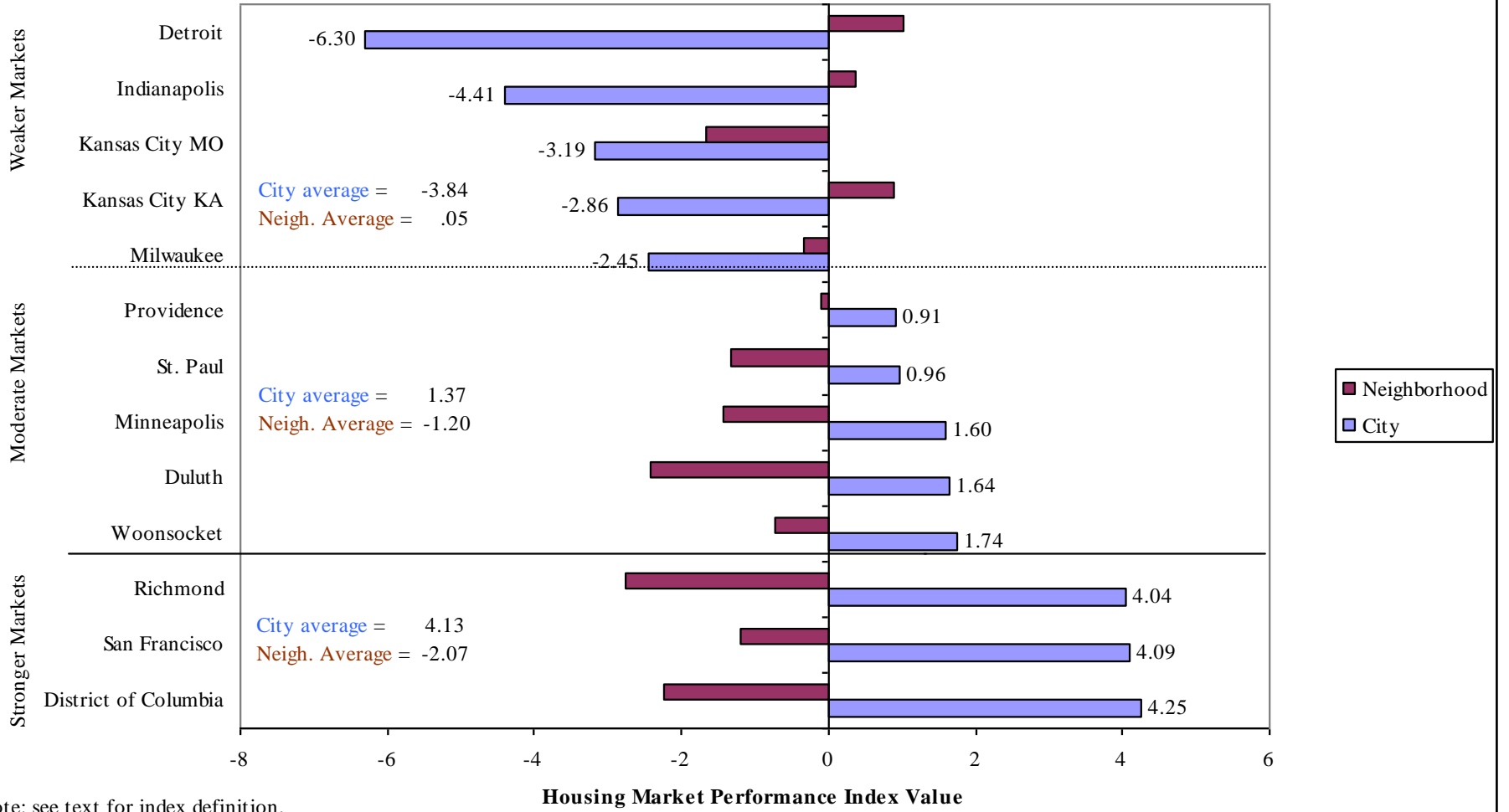
Median 1<sup>st</sup> Lien Purchase Mortgage Amount for Tract /  
Median Metro Area Amount

Percent of Home Purchase Loans that are High Cost  
(Negative Sign)

## Terciles of Housing Market Index Washington DC Metro Area



### Low-Income Housing Market Performance Index for Sustainable Communities Cities and Target Neighborhoods



[HOME](#)

[GETTING STARTED](#)

[POLICY GUIDE](#)

[MAPS & DATA](#)

[FORUM](#)

[HousingPolicy.org](#)



## Getting Started

Q&As on Foreclosure Prevention and Neighborhood Stabilization



## Policy Guide

How to Prevent Foreclosures and Stabilize Families and Communities



## Maps & Data

Access Key Data and Create Customized Maps & Reports for Your Community



## Forum

Discuss Foreclosure Prevention and Neighborhood Stabilization Initiatives, Policy, and Program Implementation

### Welcome to Foreclosure-Response.org!

Welcome to Foreclosure-Response.org, a new website offering resources intended to help states and localities respond to the foreclosure crisis. This site is maintained by the Center for Housing Policy, KnowledgePlex, Local Initiatives Support Corporation (LISC), and the Urban Institute.

### Featured Resources:

- View Action Plans prepared by states and localities for the Neighborhood Stabilization Program
- Read a commentary by the Urban Institute's Mary Cunningham, on the importance of protecting renters against the impacts of foreclosures [PDF]

Looking for Foreclosure Response in Kent County, Michigan?

Maps & Data > Report

[Print Report](#) | [Download](#) and [Learn more](#) about this data.

Report Indicator: LISC Composite Foreclosure Needs Score, June 2008  
Location: 20010

The LISC Composite Foreclosure Needs Score is a good starting point to find out which areas are hardest hit by the foreclosure crisis, and where you might want to target your programs and resources. The score is based on multiple risk factors (subprime lending, mortgage delinquencies, foreclosures, and vacancies) -- you can explore these more detailed indicators through the drop-down box on the right. This score is based on data by McDash Analytics and measures the relative conditions in ZIP codes within a state as of June 2008. Scores for ZIP codes should not be compared across states.

[See an example](#) of how to use the LISC Composite Foreclosure Needs Score, June 2008.

Select Indicator:

Composite Foreclosure Needs Score

Select Location:

Where e.g., San Jose

#### LISC Composite Foreclosure Needs Score, June 2008 in 20010



Click on the map to see the value for a particular area.

Resolution: Zip Codes

To edit this map on DataPlace [click here](#).

#### How To Read This Map

- The Needs score provides an overall measure of how each ZIP code is affected by the foreclosure crisis relative to all other ZIP codes within the same state.
- ZIP code 20010 has a score of 8.95. This means that 20010 has 8.95 percent of the overall foreclosure need of the ZIP code with the highest score in District of Columbia (20019).

#### LISC Composite Foreclosure Needs Score

N/A
0.00 - <0.25
0.25 - <0.74
0.74 - <1.86
1.86 - <5.48
5.48 - 100.00

Source: [LISC Foreclosure Analysis](#)

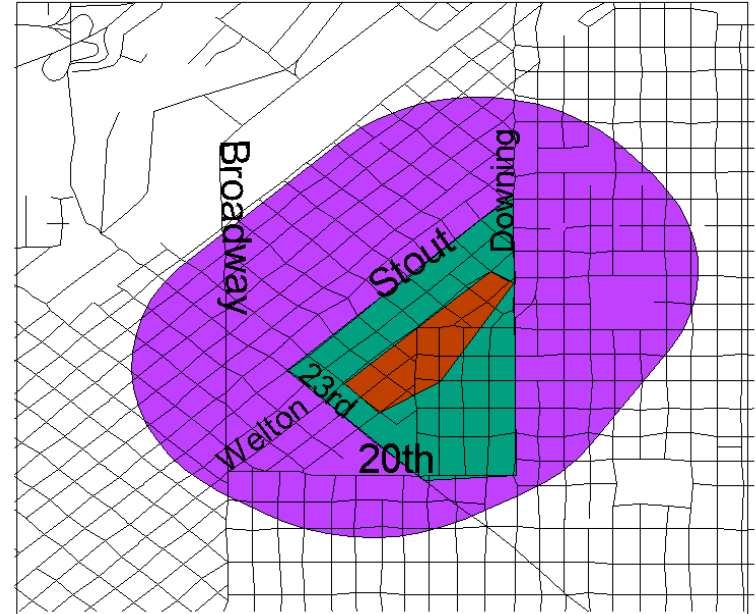
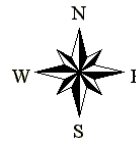
#### What Next?

- [Learn about developing a local action strategy.](#)

## Two Impact Research Efforts



## Denver- Five Points Business District

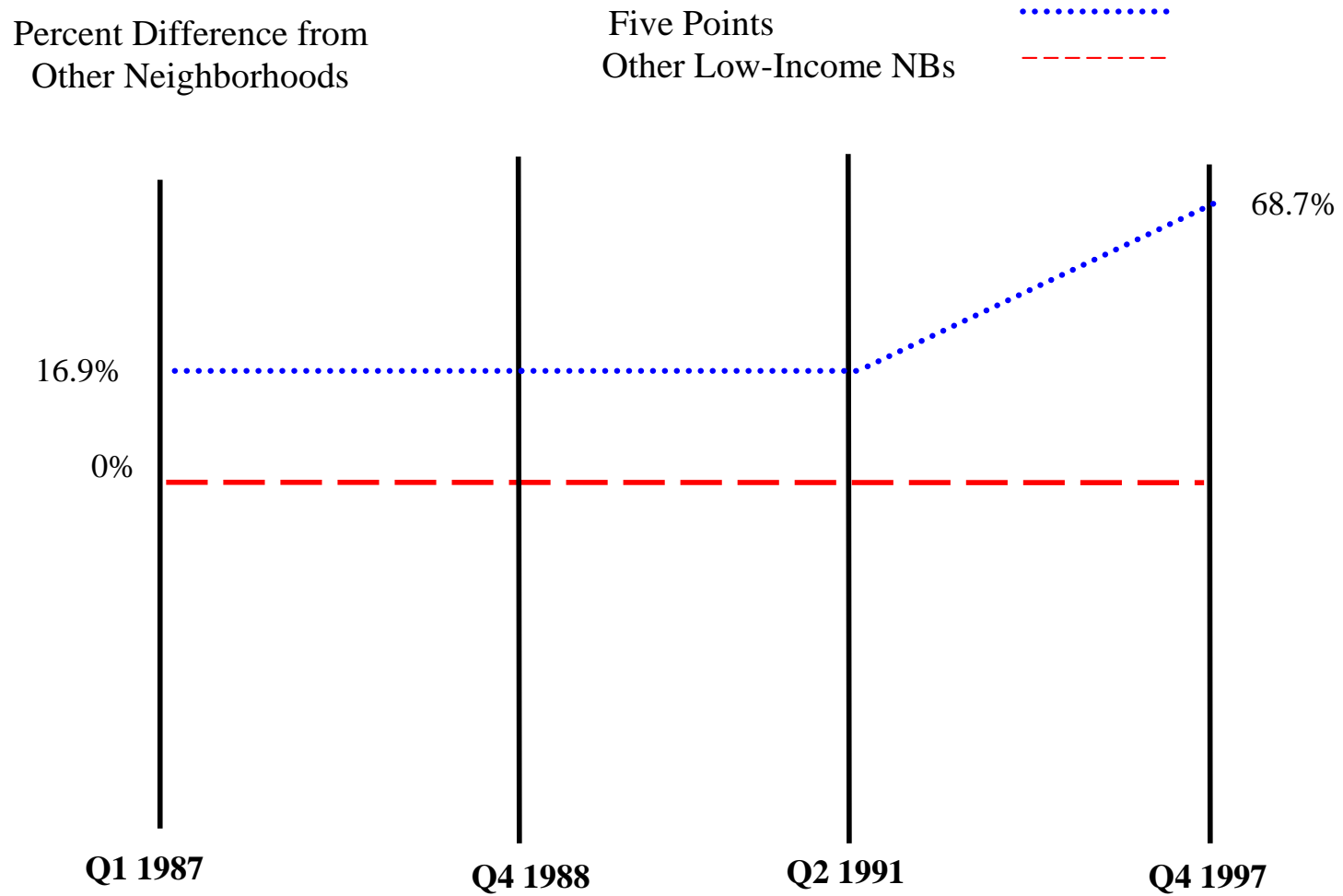


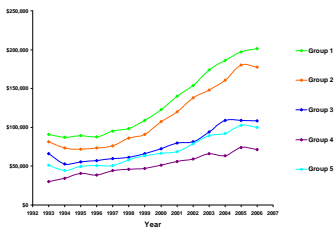
-  Denver Streets
-  Five Points Business District
-  Five Points Neighborhood
-  Half Mile Buffer around Business District

Galster, Tatian, Accordino, 2006

Walker, Galster, Temkin, Levy, 2002

# Econometric Analysis Results: Five Points, Denver





*The End*

Chris Walker  
Director of Research and Assessment  
Local Initiatives Support Corporation

[CWALKER@LISC.ORG](mailto:CWALKER@LISC.ORG)

202-739-9291