October 2004

Proposed Performance Measurement System for CDBG, HOME, HOPWA, and ESG

The following Performance Measurement System was developed by the Joint Grantee/HUD/OMB Performance Measurement Working Group as a way to better capture the results of the CDBG, HOME, HOPWA AND ESG programs. COSCDA is a founding member of the Joint Working Group, along with the National Community Development Association, the National Association for County Community Economic Development, HUD's Office of Community Planning and Development, and key staff of the Office of Management and Budget.

Nothing in this system should change grantees' decisions about which projects or activities to fund. If a grantee's projects or activities do not apply to a particular outcome or indicator on the list, then no reporting on that particular outcome or indicator is required or expected.

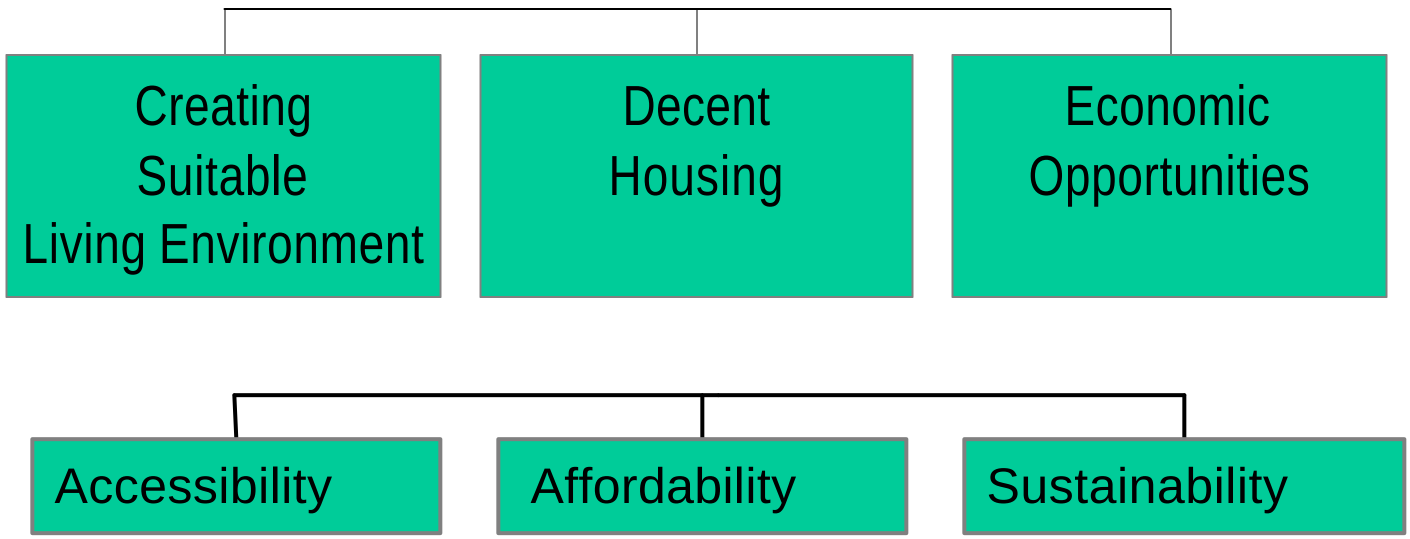
This paper on the proposed Performance Measurement System has two parts, the description of the Outcome Framework and the list of specific outcome indicators currently under consideration by the Joint Grantee/HUD/OMB Working Group. The Working Group is confident that our list is broad enough that the results of a significant amount of programming will be reported. The list has been designed to enable grantees and HUD to tell Congress and OMB about many of the benefits provided by the programs. Most of the outcomes and indicators do not require any additional data collection or reporting. As proposed, grantees would use this system in their Consolidated Plans and then add outcomes specific to their states or localities. Modifications to existing reporting requirements and mechanisms, such as IDIS and the CAPER or PER will be made to include these outcomes, indicators and appropriate data variables.

Our goal is to have information to aggregate results across the broad spectrum of programming at the city, county and state level funded by these block grants. In addition, grantees may choose to utilize this performance measurement system as the basis for assessment and management of their programs.

Remember that this framework is for all four CPD Block Grant Programs and that more than one outcome can be reported for a particular project or activity, because the system will be designed to de-duplicate (funds, beneficiaries, etc.). Grantees are encouraged to select the outcomes based on the purpose of the project or activity (in other words, why was it funded?). Some outcomes and indicators can be used for any one of the four CPD block grant programs, while others obviously apply only to one particular program due to statutory or regulatory requirements of that program. Detailed instructions will accompany the system when it is implemented.

COSCDA members have already approved the basic framework of this system, and now we need your input on this draft list of indicators. The Joint Performance Measurement Working Group will meet again later this month and COSCDA will be voting on which outcomes and indicators from this list HUD should seek to implement. Please the attached list and provide your input at the end.

Outcome Framework



There are three overarching objectives: Creating Suitable Living Environments, Providing Decent Affordable Housing and Creating Economic Opportunities. Based on their intent when funding them, Grantees would determine under which of the three objectives to report the outcomes of their projects and activities. There are three outcome categories: Accessibility/Availability; Affordability and Sustainability. Similarly, once the objective is chosen, then the Grantee would also choose which outcome category or categories they will report data for the measures and indicators, also based on the intent of the project and activity.

Each outcome category is connected to each of the overarching objectives, resulting in nine groups of outcomes under which grantees would report the data and indicators to document the results of their activities or projects. They are activities or projects that provide:

Accessibility for the purpose of creating suitable living environments
Accessibility for the purpose of providing decent affordable housing
Accessibility for the purpose of creating economic opportunities
Affordability for purpose of creating suitable living environments
Affordability for the purpose of providing decent affordable housing
Affordability for the purpose of creating economic opportunities
Sustainability for the purpose of creating suitable living environments
Sustainability for the purpose of providing decent affordable housing
Sustainability for the purpose of creating economic opportunity

There is a basic formula that can be used to describe each outcome statement. For example:

Output (##'s) + Outcome Statement + Activity = Purpose/Objective

Sometimes, an adjective such as new, improved or corrective may also be appropriate to use. Here are some examples of how the list of indicators, outcomes and objectives can be combined to create outcome statements. -

- 2000 homeless persons have new access to a shelter for the purpose of providing decent housing
- 7 households have new access to homeownership for the purpose of creating decent housing
- 24 households have sustained affordable housing by emergency repair for the purpose of providing decent housing
- 52 households have new access to public sewer for the purpose of creating a suitable living environment
- 52 households have affordable public sewer for the purpose of creating a suitable living environment
- One community has sustained 24 commercial/retail building facades for the purpose of creating a suitable living environment
- 50 persons have access to new jobs through extension of a water line to a business for the purpose of creating economic opportunity
- 50 households have affordable housing through a down payment assistance program for the purpose of creating decent housing

These would be the type of outcome statements Grantees would report to HUD and include in their Consolidated Plans and Annual Performance Reports. The list below contains the indicators that would be used to provide information on the outputs and indicators. Please review the accompanying list and provide your input (at the end).

The List of Outcome Categories and Measures/Indicators

Availability/Accessibility

This outcome category applies to making basic services, infrastructure, housing, shelter or other basic needs the programs make available or accessible to low income people (to make where they live more suitable). In this category, accessibility does not refer only to physical barriers, but also to making basic services accessible by providing it where low income people live, or by making it affordable so they can continue to live where they live.

For each project, the following measures/indicators would be reported:

- Amount of money leveraged (from other public or private sources)
- Number of persons or households served/# of households serviced (pick which one is appropriate to project or activity, not both)
- Income levels of persons or households by very low, low or moderate income categories (area benefit activities will use presumptive income categories).
- Number of communities assisted

<u>Availability or Accessibility of Infrastructure</u>

Choose whichever applies to project or activity, to include

- Activities that provide community- wide assistance such as public facilities
- First time infrastructure, for example- making potable water available for the first time, paving the road for the first time
- Expanding infrastructure services (improving existing sewer lines to serve low income households in an area)

Choose all that apply to report

1) **New access to service or benefit (Grantees will pick from list of services or benefit similar to existing infrastructure IDIS codes).**

   - Report on number of household or persons with no prior access (do not report both persons and households, grantees to pick based on type of project or service)

2) **Improved access to service or benefit (Grantees will pick from list similar to existing infrastructure IDIS codes)**

   - Number of household or persons with prior limited or deficient access (do not report both persons and households, grantees to pick based on type of project or service)

3) **Met quality standard or measurably improved quality (for infrastructure, using list similar to current IDIS codes)**

   - Number of households that no longer have access to substandard service only

Providing Accessibility to Services and Facilities

1) # of households benefited from enhanced community facilities, including safe drinking water, sanitary sewer, water line installation to improve pressure, community centers, fire stations and equipment

2) # of individuals/households receiving services designed to improve their health, safety, general welfare, or economic opportunity (jobs or job training).

3) # of homeless persons stabilized due to access to overnight shelter or other emergency housing support

Providing Access to Economic Opportunity

This outcome relates to activities and projects that create or retain jobs, i.e. by assisting businesses to create or retain jobs.

For all projects the following indicators or measures would be reported

- Amount of money leveraged (from other public or private sources)
- Percent of business loans current or not in default (for all projects where loans are made)
- For each person that receives new job – prior employment status before taking created job, whether the person was unemployed or not.
- Income levels of persons or households by very low, low or moderate income categories (area benefit activities will use presumptive income categories).
- The DUNs number and 2-digit NAIC industry classification for each business assisted.

1) Job Outcome Measures to be chosen by Grantee

1a. If the project is to create jobs

Indicators: (report on all)

a) # of jobs created
b) type of jobs created (using Bureau of Labor Standards categories)
c) does the business/employer include an employer sponsored health care benefit? (Y/N)

1b. If the project is to retain jobs

Indicators: ((report on all)
a) # of jobs retained
b) type of jobs retained (using Bureau of Labor Standards categories)
c) does the business/employer include an employer sponsored health care benefit? (Y/N)

2) Assistance to Businesses Outcome Measures to be chosen by Grantee

a). Economic development to create new small businesses

Indicators: choose all that apply

a) # of start ups
b) # of startups assisted that remain operational 3 years after assistance.

b) Business to provide goods or services to low/mod area

Indicator:
Does the assisted business provide a good or service to met a current unmet demand in service area? (Yes or No question)

AFFORDABILITY

This outcome category applies to activities which provide affordability in a variety of ways in the lives of low and moderate income people

For each project, the following information would be reported on:

- amount of money leveraged per unit or project, whichever is applicable (by source: other public or private);
- # of households or persons assisted (not both, whichever is the appropriate unit of measurement for the activity)
- Income levels of persons or households by very low, low or moderate income categories (area benefit activities will use presumptive income categories).
- # of units meeting Energy Star standards for new construction or gut rehab.

<u>Affordable Housing Outcome Measures (to be chosen by Grantee)</u>

1) Create/Increase Homeownership Opportunities

Indicators: Choose all that apply

a) number of loans or grants (or both) - per unit measurement
b) assistance resulted in production of new units or
if so, how many
assistance resulted in rehab of existing units
if so, how many
c) if homeownership project, the number of total homebuyers assisted
Of those, # of homebuyer assistance to subsidized tenants
Of those, number of first-time homebuyers.
Of those, number of minority households.

2) Create rental units

Indicators: (report on all that are applicable)

a) number of affordable rental units produced.
Of those, # that are 504 accessible.

b) years of Unit Affordability

3) Maintain/sustain owner-occupied units:

Indicators: (report on all)

a) bring unit up to standard condition (as defined by grantee using applicable program regulations)

4) Maintain/sustain renter-occupied unit:

Indicators: (report on all applicable)

a) # of units brought up to HQS (or other applicable standard as allowed by program regulations)

of those, the number that are 504 accessible.

b) years of unit affordability

5) Units rehabbed to code (number)

of those, the # brought to lead safety standards

6) Units required or improved to address substandard housing health and safety standards (i.e. weatherization, locks, smoke detectors, mold reduction, etc.) – provide number .

0f those, the # that were brought up to lead standards

<u>Affordability for Special Needs Housing</u>

7) **Homeless persons who obtain permanent affordable housing**- provide number

8) **Persons with HIV/AIDS who obtain permanent affordable housing** – provide number.

Sustainability: Promoting Livable or Viable Communities

This outcome applies to projects where the activity or activities are aimed at improving a neighborhood by helping to make it livable or viable for principally low and moderate income people through multiple activities, or by providing services that sustain communities or sections of communities.

Outcomes to be chosen by Grantee

1) Outcome Measure for Community Area Activity Projects- for multiple activity projects

This outcome applies to improvement activities completed as part of a revitalization strategy or a locally targeted geographic revitalization strategy.

This is a drop down "pick list". In order to report on a community area activity project grantees under this outcome, the grantee would report on a minimum of three outcomes below, based on activities of the project: (Other is optional and does not count for required three), If this is an activity or project that addresses sustainability but is not part of a geographically targeted area with a local or federal designation, and if this is not a strategy that has multiple activities planned, then do not report on this outcome.

a) number of new businesses
b) number of businesses retained
c) number of jobs created or retained in target area

d) Amount of money leveraged (from other public or private sources)
e) # of LMI persons served
f) # of LMI households assisted
g) # of businesses assisted
h) # of households/persons with access to public facilities
i) # of commercial façade treatment/business building rehab
j) other—can include crime #s, property value change, housing code violations, business occupancy rates, employment rates (optional)

2) Activities that help site(s) meet quality standards or measurable improved quality to sustain an area (i.e. slum/blight) (grantees would choose all that apply)

a) # of households with access to new infrastructure service
b) # of acres recovered by brownfields remediation
c) # of new businesses created
d) # of new jobs created
e) # of private funds leveraged
f) # of commercial façade treatment/business building rehab

3) Sustaining neighborhood housing preservation: (grantees would choose all that apply)

a) # of owner occupied rehabs
    Of those, # of units assisted by targeted code enforcement
b) # of homebuyers assisted
c) # of rental units assisted
    Of those, # of units assisted by targeted code enforcement
e) other: occupancy rate, crime, property value, HQS/code enforcement (Optional)

Indicator Checklist
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Please provide us with your input. Are you willing to report on this indicator ?

Indicator	Yes	Why Not
number of loans or grants (or both) - per unit measurement		
assistance resulted in production of new units or rehabbed units		
units brought up to standard condition (as defined by grantee using applicable program regulations)		
number of new businesses		
number of businesses retained		
number of jobs created or retained in target area		
# of households/persons with access to public facilities		
property value change		
housing code violations		
# of households with access to new infrastructure service		
# of acres recovered by brownfields remediation		

# of new jobs created		
# of commercial façade treatment/business building rehab		
# of private funds leveraged		
# rehabbed units brought to lead safety standards		
# of households benefited from enhanced community facilities		
# of homeless persons who obtain permanent housing		
# of persons with HIV/AIDS who obtain permanent housing		
# of homeless persons stabilized with overnight shelter or other emergency housing support		
# of individuals/households receiving services designed to improve their health, safety, general welfare, or economic opportunity (jobs or job training)		
Percent of business loans current (for all projects where loans are made)		
Person that receives new job – prior employment status before taking created job – unemployed or employed		
Income levels of persons or households by very low, low or moderate income categories (area benefit activities will use presumptive income categories)		
Assisted business DUNs number and 2-digit NAIC industry classification		
Type of jobs created (using Bureau of Labor Standards categories)		
does the business/employer include an employer sponsored health care benefit? (Y/N)		
# of jobs retained		
# of start ups		
# of startups assisted that remain operational 3 years after assistance		
Does the assisted business provide a good or service to met a current unmet demand in service area? (Yes or No question)		