

A Report by a Panel of the

**NATIONAL ACADEMY OF
PUBLIC ADMINISTRATION**

*for the U.S. Department of Housing and Urban Development
Office of Community Planning and Development*

February 2005

DEVELOPING PERFORMANCE MEASURES
for the
COMMUNITY DEVELOPMENT BLOCK
GRANT PROGRAM



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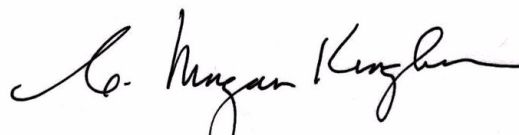
FOREWORD

The Community Development Block Grant program (CDBG), administered by the U.S. Department of Housing and Urban Development (HUD), awards funds to cities, counties and states on a formula-driven basis. States, in turn, award their share of funding to smaller units of government competitively. The program, budgeted at \$4.3 billion on average for the past six years, provides wide discretion to entitlement communities and states as they undertake activities to develop viable communities through decent housing, suitable living environments and expanded economic opportunities for low- and moderate-income people.

Although HUD gathers a wealth of performance-relevant data from its grantees, many are not widely reported or available. HUD asked the Academy, as a subcontractor to QED, to develop a set of performance measures for the CDBG program that would comply with requirements of the Housing and Community Development Act of 1974, Government Performance and Results Act, President's Management Agenda and Program Assessment Rating Tool administered by the U.S. Office of Management and Budget (OMB). Ideally, the measures also would meet community and state program management needs. It was envisioned that the Academy would recommend ways to improve HUD's management information system so that community and state performance measures could be electronically analyzed and reported (These are to be published in a separate report, *Integrating CDBG Performance Measures into IDIS*).

The Panel overseeing this Academy study developed a set of performance measures that satisfy HUD, OMB and grantee stakeholders. The Panel's fundamental conclusion is that there is sufficient common ground among stakeholders to construct a performance measurement system consistent with the statutory provisions and management tools discussed above.

The Academy was pleased to undertake this study. I want to thank the Academy Fellows who served on the Panel whose insights and guidance were excellent. I also thank HUD and OMB management and staff; community development public interest groups, especially the Council of State Community Development Directors, National Association of Development Organizations and National Community Development Association; and individual state and community development directors for their input and cooperation. Finally, I extend my deep appreciation to the Academy study team for its hard work and diligence in producing this important report.



C. Morgan Kinghorn
President

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EXECUTIVE SUMMARY

The Community Development Block Grant program (CDBG), administered by the U.S. Department of Housing and Urban Development, awards funds to cities, counties and states on a formula-driven basis. States, in turn, award their share of funding to smaller units of government competitively. The program, budgeted at \$4.3 billion on average for the past six years, provides wide discretion to entitlement communities and states in the activities they undertake to develop viable communities through decent housing, suitable living environments and expanded economic opportunities for low- and moderate-income people.

The National Academy of Public Administration (Academy) entered into a contract with QED Group to develop a set of performance measures for the CDBG program. It is envisioned that these measures would comply with requirements of the Housing and Community Development Act of 1974, Government Performance and Results Act (GPRA) of 1993, President's Management Agenda and the Program Assessment Rating Tool (PART) administered by the U.S. Office of Management and Budget (OMB). Moreover, the measures ideally should serve communities' and states' management needs. The Academy's work also entailed recommendations—activities, accomplishments and expenditures—designed to improve HUD's management information system so that performance measures could be reported according to entitlement communities and states (presented in a companion report, *Integrating CDBG Performance Measures into IDIS*).

At the same time, most experts acknowledge that it is extraordinarily challenging to craft a performance measurement system for a block grant program that promotes flexible investments in people, places, organizations and things, based on locally-determined needs. Developing and implementing this system involves reconciling conflicting views about what should be accomplished locally and what national goals might be given the lack of statutory direction. Moreover, practical and technical issues must be resolved once a national and grantee goal structure is developed and accepted. Perhaps the most important challenge is to distinguish between performance information that can realistically be reported by state and local managers, and net impact information that only nationwide evaluations can produce.

This study provides a step-by-step review of CDBG performance measurement and issues surrounding the development of performance indicators that program stakeholders—OMB, HUD, public interest groups, and community development directors—could accept and ones useful to citizens as they assess how effectively their tax dollars are spent. The study is based on a multi-pronged assessment of community development practices generally, and CDBG specifically.

The Panel overseeing this study identified different understandings that CDBG stakeholders have about performance measurement, such as how CDBG's purpose or mission as reflected in the amended Housing and Community Development Act of 1974 should be interpreted, how CDBG programs and their managers should be held accountable for achieving results under GPRA, and what performance indicators should be used to improve performance and promote accountability. The law underpinning CDBG does not specify a desired hierarchy, nor does it identify activities

or specific results-oriented goals that HUD and grantees should achieve. Requirements under GPRA, largely congressionally driven, are not fully agreed to by CDBG authorizers and appropriators. OMB's recently established PART process, which can modify goals, objectives, and measures, does not appear to have produced consensus among the interest group community or Congress.

The Panel believes that CDBG stakeholders can arrive at different yet reasonable interpretations on these issues. At the same time, there is sufficient common ground among them to construct a performance measurement system that can satisfy them and be consistent with the Housing and Community Development Act of 1974, GPRA, and PART. The Panel found that virtually all parties in this discussion, ranging from OMB to HUD to stakeholder groups, are committed to arriving at a viable approach that reflects common agreement.

Generally, entitlement communities and states support CDBG performance reporting as long as it is non-intrusive, extensively used, cost effective, and compatible with existing management systems. Grantees want maximum programmatic flexibility to tailor the investments to their local needs. At the federal level, HUD wants a system that reflects and maintains CDBG's flexibility, and complies with its statutory responsibilities as an executive agency. Meanwhile, OMB wants one that encourages HUD and grantees to demonstrate conclusively that the investments contribute to the development of viable communities and to low- and moderate-income beneficiaries. To accomplish this, it wants entitlement communities and states to target CDBG funding to a limited number of neighborhoods.

The Panel believes the Housing and Community Development Act of 1974 suggests that CDBG's mission is clear and that performance measurements can be derived; HUD's secretary can require grantees to report on nationally-determined performance measures; CDBG's flexibility, for all practical purposes, necessitates reporting only on high-priority performance indicators; and CDBG must be targeted to low- and moderate-income people. Further, the statute does not include a geography-based targeting requirement; to the contrary, the inherent flexibility it imparts suggests that geographic targeting to a particular activity or place may be inconsistent with the program's purpose.

As for GPRA, the Panel believes the law imposes major performance measurement reporting requirements on all federal programs; CDBG is no exception. CDBG can do much more to report accomplishments for and progress toward national goals. Regarding PART, CDBG's mission is clear according to its definitions and the statute underlying CDBG does not require grantees to target their programs geographically which means that the lack of a targeting requirement cannot be a shortcoming. Yet, although CPD gathers a lot of performance data from grantees, CDBG has not reported long-term outcome data nor adequate efficiency and productivity data.

To illuminate shared practices in the field, the Panel examined a wide-ranging sample of performance measurement reports issued by federal programs, communities and states, think tanks, university research centers, public interest groups, citizen groups and foundations. Among its findings:

- With few exceptions, entitlement communities and states employ mostly output indicators, some impact indicators, and relatively few outcome indicators. So do most other organizations that gather performance data.
- Programs tend to link mission, strategy and performance.
- Performance generally is tied to projects; and not tied to separate activities that comprise projects.
- Jurisdictions report performance for a range of geographical areas—from neighborhoods to census tracts to communities.
- Output indicators are based mostly on cases or people and, when reported, have outcome implications.
- Impact indicators are common, but rarely tied directly to programs or projects.
- Indicators tend to be reported annually, rather than at a project’s completion.
- Annual indicators tend to be reported over multiple years, offering a baseline for comparison.
- Data must be readily available.

The more closely that a CDBG performance measurement system conforms to practices in the field, the more likely entitlement communities and states will be to report performance results and use them in management. The Panel believes that a system proposed for negotiation with grantees must distinguish clearly between realistic expectations of what grantees can reasonably be expected to report and the progress toward national results that HUD should be responsible for determining. The Panel calls on HUD to demonstrate a relationship between locally reported data and accountability standards for grantee performance. In turn, grantees should hold HUD accountable for an effective research and evaluation program that demonstrates the value that taxpayers receive from their investment in CDBG.

During the course of this study, the Panel met with stakeholders, talked with experts, and reviewed policy literature and practices to identify key issues to be addressed when developing a CDBG performance measurement system. The key issues are:

- Many states and some communities have limited capacity to operate complex performance measurement systems that have intense data gathering to employ impacts or outcomes.
- States and communities prefer not to operate parallel yet duplicate performance measurement systems—one to satisfy HUD and OMB, and the other for themselves.
- States and communities are concerned about performance data gathering costs.

- Public interest groups are occasionally wary of HUD’s policies.
- States and communities do not support providing impact measurements of things over which they have no control, either through policy or program intervention.
- States and communities are concerned about conflicting local, state and federal policy goals and objectives.

The Panel believes that these issues must be addressed when establishing a CDBG performance measurement system. A consensus-building approach among all stakeholders should be used to resolve these issues.

After reviewing performance measurement systems used in the field, the Panel does not recommend constructing CDBG impact indicators for states and entitlement communities to report. It doubts that cause-and-effect relationships can be employed in a performance measurement system designed to promote accountability and aid in management. Scientific impact assessments are appropriate for formal evaluations, but entitlement communities or states should not be responsible for them. The Panel is cautious about the potential use of impact measurement notwithstanding the fact that some states and communities use it. HUD should consider a CDBG measurement system with outcome measures that link CDBG expenditures to activities directly associated with beneficiaries, and to output measures that tie to national or local goals and have outcome-like implications.

The Panel recommends that performance indicators should:

- Have stakeholder consensus on what should be measured.
- Focus on things that can be quantified—people, businesses or even organizations, rather than notions of community and neighborhood betterment where considerable conceptual ambiguity exists.
- Always report frequencies, rather than percentages or rates, to facilitate aggregation of data across communities and states.
- Avoid use of baselines or benchmarks in reporting due to the sporadic, often one time only nature of CDBG investments (e.g., a single investment in a water system).
- Avoid any arbitrary time qualifiers as much as possible, but should report annual results.
- Allow aggregation from the local to national level.
- Overlap as much as possible with other community planning and development program indicators so that HUD can demonstrate performance across related activities.

- Avoid double counting of benefits across CDBG, ESG, HOPWA and HOME programs if there are any.¹
- Be valid in measuring consistently and correctly over time.

Adopting a complex performance measurement system for CDBG will be a daunting task. At this writing, all stakeholders have agreed to work together in a series of facilitated meetings to address issues discussed in this report. The Panel endorses this initiative and offers to assist the group in any way it can. In implementing such a system, HUD should consider incentives for entitlement communities and states that demonstrate exemplary performance measurement practices. The relationship among performance measurement, the consolidated plan and IDIS must be examined and probably redesigned.

CDBG's existing performance measurement system relies on data gathering and reporting systems that are common in the department, the field and elsewhere. The Panel is aware of other systems that might complement or supplement performance information reported in more traditional practice. For example, social science findings could be used to impute outcomes to CDBG beneficiaries when it proves cost prohibitive to gather outcome information directly from beneficiaries themselves. It recommends that HUD explore some of these alternative systems, perhaps through a series of demonstration projects, as a way to measure program accomplishments.

¹ HUD's Office of Community Development administers three other block grants—Emergency Services Grant, Housing Opportunities for Persons with HIV/AIDS, and HOME Investment Partnership Program. All four block grants sometimes benefit the same persons leading to double counting. There is some potential for double counting in CDBG, but it is not an issue.

**CHAPTER ONE
INTRODUCTION AND METHODOLOGY**

PROJECT OVERVIEW

The National Academy of Public Administration (Academy) contracted with the Office of Community Planning and Development (CPD) at the U.S. Department of Housing and Urban Development (HUD) to develop performance measures for the Community Development Block Grant (CDBG) program. It was envisioned that the performance measures would:

- Comply with requirements of the Housing and Community Development Act of 1974², Government Performance and Results Act (GPRA) of 1993, President’s Management Agenda and Program Assessment Rating Tool (PART), as well as with entitlement communities’ and states’ management needs.
- Be used by key stakeholders—HUD, the U.S. Office of Management and Budget (OMB), public interest groups, entitlement communities and states—to discuss how they might demonstrate CDBG’s performance to promote accountability and support program management.

The contract also called for recommendations to improve HUD’s management information system—Integrated Disbursement and Information System (IDIS)—in which entitlement communities and states report performance measures to HUD. (See companion report, Integrating CDBG Performance Measures into IDIS)

BOX 1

TASKS FOR THE ACADEMY WORK
Develop performance measures relevant to CDBG programmatic information that would allow an evaluation of the impact, effectiveness and efficiency of the CDBG program and activities at a national and grantee level.
Provide recommendations to enhance or refine IDIS data to improve performance measurement capabilities.
Provide recommendations to ensure data quality and validity relative to performance measures.
Provide appropriate model to be utilized in IDIS to measure the impact of programmatic information.

² See www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm

CDBG: AN OVERVIEW

The CDBG program serves 1,160 formula grantees, the vast majority of which are entitlement communities—cities (944) and urban counties (165)—and 50 states and Puerto Rico.³ Established under the Housing and Community Development Act of 1974 (as amended), CDBG was designed to provide annual grants to entitlement communities and states based on a formula allocation to fund activities that address one or more national objectives: to benefit low- and moderate-income people, aid in prevention and elimination of slums and blight, or meet other urgent community development needs. Chapter 4 lists eligible activities under CDBG.

Seventy percent of CDBG funding is granted to entitlement communities with the remainder allocated to states. The former administer their own CDBG programs, while the latter act as “mini-HUDs” and award funding to small local governments through a competitive process based partially on need. Although entitlement communities administer the CDBG program, other agencies, grant sub-recipients, non-profits and non-governmental organizations provide service delivery.

To receive its annual CDBG entitlement grant, a grantee must develop and submit a consolidated plan to HUD. This comprehensive planning document serves as the jurisdiction’s application for funding, not only for CDBG, but for other formula grant programs administered by CPD: Home Investment Partnerships (HOME), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grants (ESG). In its consolidated plan, the jurisdiction must identify program goals, including housing, which are the criteria against which HUD evaluates a jurisdiction’s plan and performance. The plan also must provide several required certifications under HUD regulations; for example, no less than 70 percent of CDBG funds received over a one-, two- or three-year period must be used for activities that benefit low- and moderate-income persons. The grantee must affirmatively promote fair housing. HUD typically approves a consolidated plan submission unless some or all of it is inconsistent with the purposes of the National Affordable Housing and Community Development Act of 1974 or is substantially incomplete. Following approval, HUD awards a full grant unless the secretary determines that the grantee has failed to carry out its CDBG-assisted activities in a timely manner, failed to carry out those activities and certifications in accordance with the requirements and primary objectives of the Housing and Community Development Act of 1974 or other applicable laws, or lacked a continuing capacity to carry out its CDBG-assisted activities in a timely manner.

CDBG program budgets are presented below. Table 1 demonstrates that funding has remained relatively constant in nominal funding over the past six years.

³ Office of the Secretary, US Department of Housing and Urban Development, *Fiscal Year 2005 Budget Summary*, 2004, p. 13.

TABLE 1
CDBG FORMULA FUNDING
(in billions)

	1999 ENACTED	2000 ENACTED	2001 ENACTED	2002 ENACTED	2003 ENACTED	2004 ENACTED
Entitlement	\$2,952,740	\$2,965,235	\$3,079,510	\$3,038,700	\$3,037,677	\$3,031,592
Non-Entitlement	\$1,265,460	\$1,270,815	\$1,319,790	\$1,302,300	\$1,301,862	\$1,299,254
Subtotal	\$4,218,200	\$4,236,050	\$4,399,300	\$4,341,000	\$4,339,538	\$4,330,846
Set Asides	\$531,800	\$545,185	\$647,123	\$659,000	\$565,371	\$603,469
TOTAL CDBG	\$4,750,000	\$4,781,235	\$5,046,423	\$5,000,000	\$4,904,910	\$4,934,315

For Fiscal Year (FY) 2003, entitlement communities spent at least half of their respective CDBG funds on housing and public improvements, as shown in Table 2.

TABLE 2
CDBG EXPENDITURE BREAKDOWN, FY 2003
(in millions)

ACTIVITY	ENTITLEMENT COMMUNITIES		STATES	
Acquisition	\$223.4	6.4%	\$36.3	2.8%
Admin & Planning	\$574.0	16.5%	\$108.3	8.2%
Economic Development	\$237.2	6.8%	\$195.1	14.8%
Housing	\$951.3	27.4%	\$195.5	14.9%
Public Improvements	\$828.0	23.9%	\$753.3	55.2%
Public Services	\$513.0	14.8%	\$18.0	1.4%
Other	\$13.9	0.4%	\$6.1	0.5%
Sect 108 Loans	\$130.4	3.8%	\$3.6	0.3%

IDIS AND COMMUNITY 2020: BACKGROUND

The Integrated Disbursement and Information System (IDIS) collects data and distributes funds for CDBG, HOME, ESG and HOPWA programs (IDIS is represented in Volume 2 of this report). Its purpose is to improve performance and accountability. CPD grantees are allowed to enter, maintain and report data that support grantee activities and to obtain disbursement of funds. Designed to enable financial management, information reporting and performance monitoring activities, IDIS ideally should provide a foundation upon which grantee performance can be evaluated as it should include such core data as numbers of people served, jobs created, houses rehabilitated, in addition to beneficiary characteristics. Administrative data—such as account balances and the drawing down of funds—are maintained in IDIS, as well.

Until recently, Community 2020 software was employed in conjunction with the preparation of consolidated plans and updates, annual performance reports, and consolidated annual performance and evaluation reports. Entitlement communities and states may prepare and

update plans and then report them to HUD. Community 2020 also contained varied data that could be accessed, mapped, and incorporated into planning documents. The system is now inoperative, because it will not operate in recent versions of Microsoft Word software.

CPD is now in the process of reengineering IDIS to correct past shortcomings and to improve its capacity for performance based management both from the CPD and grantee perspective. Indeed this project is one of several intended to help CPD develop the new IDIS system.

PERFORMANCE MEASUREMENT SYSTEMS

In an Age of Reinventing Government, public managers are required to gather data on the performance of their programs to determine whether investments made were effective, efficient, and equitable. In short, did the program have the intended consequence for which it was designed and executed? Performance data are used by others to hold public managers accountable for their actions and by managers themselves to improve results or manage better.

In the case of CDBG, CPD ties together performance measurement, linking the national to state and local grantees. Grantees gather and report performance data at CPD's direction to CPD, which in turn reports it to higher level policy makers and others (see below). CPD also uses these data to monitor how well grantees are doing managing their programs. Grantees often report the same data to policymakers and others at the state and local level. In addition, grantees may operate separate data gathering and reporting systems to satisfy state and local needs. Grantees also use performance data to manage day-to-day operations of their programs. Taken together, the gathering and reporting of performance data at the national, state and local levels constitutes a performance measurement system.

The CPD's performance measurement system in IDIS serves multiple purposes and uses. As mentioned above, at the national level, CPD gathers performance data from state and local governments, then reports them to a variety of interested entities:

- Office of Management & Budget who monitors it for the administration.
- General Accountability Office who monitors it for the Congress.
- Congressional Committees in House and Senate who have oversight on operations and who appropriate funding.
- Secretary of HUD who is responsible for the agency.
- Public interest groups representing grantees and beneficiaries who receive funding, services or goods, or who are impacted by them.
- Citizens in whose name the program is offered.

States and cities are accountable mainly to their counterparts: state legislators, city councils or commissions; mayors, governors or commissioners; public interest groups and citizens. CPD focuses primarily on national concerns, states and local governments on community concerns.

In the program management arena, CPD focuses primarily on compliance⁴—did the grantee comply with federal laws and regulations governing CDBG expenditures?—and goal attainment—did the grantee achieve its goals and objectives?, and why not?—and assistance—how can CPD assist the grantee in performing better? At the state and local level, grantees must worry about these national issues—compliance and performance, but in addition, must conduct day-to-day program operations.

An effective performance measurement system must meet the needs of CPD and state and local governments for both accountability and management purposes, and it must satisfy those outside the system who monitor CPD and state and local government performance.

This project, then, must take into account the disparate needs of stakeholders within and outside the system.

METHODOLOGY FOR THIS REPORT

As with most Academy projects, this study was guided and overseen by a Panel of Academy Fellows who were selected based on their expertise in the subject matter or on broader management or policy matters. Supplemented by a project team of professional full-time Academy staff, consultants and subcontractors, the four Panel members met throughout the study to identify issues, develop options and alternatives, and provide recommendations. The Academy views the Panel structure as a powerful and valuable management analysis vehicle as it brings together experts with different views, experiences and skills in a process that yields sound management advice. The Panel operates independently from other project Panels, and it is responsible for the content of this report.

The Panel undertook a multi-staged, multi-pronged methodology that encompassed several aspects.

⁴ Strictly speaking this is not really a function of performance measurement. It is listed here because most performance measurement systems produce compliance information either directly or for use in assessing compliance in another system. So, compliance is often related to performance. For example, in CDBG, grantees report on investments made in geographical areas having concentrations of low- to moderate income people so that CPD can verify that these investments were eligible under the law. But the same geographical areas can be used to assess whether or not an investment successfully met a net in an area.

BOX 2

How Academy Panels Work

Work of the Academy is performed through a Panel process. Fellows—in this case four—of the Academy are recruited to serve on a Panel, supplemented by Academy professional full-time staff, consultants and subcontractors. Some Panel members have expertise in the field of study, while others have more general management or policy backgrounds. Panels periodically meet in day long sessions to define issues, develop options and alternatives, and eventually arrive at recommendations. Panels oversee the work of professional staff, consultants and contractors. A professional staff person serves as project director. Panels have been found to be very powerful management and policy analysis tools because they bring together experts with different views, experiences and skills in a process that yields management or policy advice that is sound. Panels operate independently, and are non-partisan.

Define Parameters of Performance Measurement

Performance measurement means many things to many people in many contexts. As a result, the debate over performance measures has become contentious in some quarters as discussants talk past each other, creating disagreement where there may be none or very little. In the Panel's view, providing common ground for discussing performance measurement is essential. The Panel reviewed documents, plans and reports and case studies on performance measurement theory and practice. It then developed a framework for discussion and analysis, particularly concerning outputs, outcomes and impacts. The framework will be discussed in Chapter 2. It does not recommend that stakeholders adopt this framework. Instead, **the Panel recommends that stakeholders work with HUD to achieve as much consensus as possible on a common framework.**

REVIEW CDBG LEGISLATION, GPRA AND PART

Performance measurement generally originates in a broader policy, program and practice context. Several laws and processes significantly impact CDBG and its administration, including the Housing and Community Development Act of 1974, which addresses the program's objectives; GPRA, which imposes several performance-based management requirements; and the President's Management Agenda and PART, which OMB uses to evaluate program performance. The Panel reviewed these sources to assess their implications for CDBG performance measurement and to try to find points of consensus and compromise among stakeholder groups. **Chapter 3** discusses these aspects in greater detail.

Understand Stakeholder Views

The Panel and the project team met with a wide range of stakeholders—HUD and CDBG program management, OMB examiners and policy analysts, public interest groups with strong

CDBG constituent interests,⁵ city and state officials, and researchers—to identify performance measurement issues. These issues are presented in **Chapters 4, 5 and 6**. To stimulate full and open discussion, the Panel did not attribute specific comments or points made in this report to individual stakeholders. The perspectives of these stakeholders may not represent the positions that their organizations have officially adopted.

Identify CDBG Performance Measure Possibilities

The Panel cast a wide net to determine how practitioners, researchers, citizen groups, and advocates in the field measure CDBG and community development related activities. The Panel paid considerable attention to:

- **State and local governments.** State and local governments employ numerous performance metrics, not only to measure CDBG activities but also to measure more general management activities that involve budgeting, planning, and service provision. Samples of promising and standard practices were gathered (e.g., Oregon benchmarks).⁶
- **Comparable federal programs.** Various federal programs use performance metrics for activities similar to those that CDBG grantees undertake. Samples of measurements for other federal programs were gathered (e.g., HHS, Community Service Block Grant (CSG), also referred to as ROMA). Block grants were distinguished from categorical or discretionary ones, as local/state performance measurement systems were from national ones.
- **National Performance Indicators.** Many national governments have established national performance measurement systems. The Academy is assisting the President's Office in Colombia to design and implement such a system. It also is working with the Government Accountability Office on its system. Systems and indicators were assessed.
- **Think tanks and foundations.** Think tanks and foundations fund performance measurement studies and monitor public agency performance and quality of life indicators (e.g., McAuley Institute, National Neighborhood Indicator Partnership, Annie E. Casey Foundation, and United Way). These studies were assembled and reviewed.

⁵ These included the Council of State Community Development Agencies (COSCDA), National Association of Development Organizations (NADO), National Association for County Community and Economic Development (NACCED), U.S. Conference of Mayors, International City/County Management Association, National League of Cities, Enterprise Foundation, National Association of Housing and Redevelopment Officials (NAHRO), and National Community Development Association (NCDA). Letters of invitation, along with telephone follow-ups to participate, also were sent to all prospective public interest groups.

⁶ The review revealed no formal scientific evaluations of performance measurement systems.

- **Citizen groups.** Citizen groups across the nation track performance of their communities and regions in order to hold public officials accountable (e.g., Boston Foundation Indicators). These reviews were assembled and examined.
- **Housing/community development public interest groups and associations.** Public interest groups and associations directly or indirectly involved with performance measurement were contacted by letter or follow-up telephone calls, to obtain materials, guidance, policy, and training manuals. Meetings were held with groups and, in several cases, the Project Director attended association conferences.
- **Survey of literature.** A literature review of CDBG block grant impact and evaluation studies was conducted.

Major community development performance measurement approaches and documents are provided as an appendix to this report, and they are available in their entirety on the Academy website at www.napawash.org. What the Panel finds to be representative approaches to community development performance measurement in the field are presented in **Chapter 4**.

Evaluate Possibilities and Nominate Performance Indicator Candidates

The Panel assembled hundreds of performance indicators that would be tied to CDBG outcomes and assessed them from several vantage points:

- **Evaluate items in catalog of performance metrics.** The Panel evaluated performance indicators against the following criteria against which performance indicators were evaluated: relevance to statutes and PART, data collection and reporting costs, access and availability, reliability and validity, usefulness, and preference of stakeholders.
- **Develop additional metrics not now in use.** Initially, the Panel left open the possibility that there might be potential performance indicators that have not yet been reported in the field. None were identified.
- **Conduct survey of experts.** The Panel conducted a non-scientific telephone survey of experts in this field to gain their perspectives on performance measurement. These conversations yielded reports and some insights for use in this study.
- **Assessment of Indicator Measures.** The Panel evaluated many measures, summarized against the criteria below in Box 3. (Selected individual performance measures evaluation sheets are found in our report, Integrating CDBG Performance Measures into IDIS.)

BOX 3

INDICATOR ASSESSMENT MATRIX	
Description of performance measure	
Outcome, or output measure	This study rejects impact measures in favor of outcomes or outputs that can be interpreted as outcomes.
HUD national goal appropriate for GPRA	The measure either should satisfy GPRA or PART immediately below.
CPD-CDBG program goal appropriate for PART	The measure either should satisfy GPRA or PART immediately above.
Reference where measure can be found	
Data source or method to produce	Administrative data are preferred because they tend to be uniform and easier to gather. Surveys are appropriate in some cases
Smallest geographical area available for	While geographical targeting is a policy decision of states and entitlement communities, geographical identifiers should be gathered whenever possible and practicable.
Cost factors	If measures are too costly, they will not be recommended.
Availability/accessibility factors	Measures must be easily accessible and available.
Compatibility with other CPD program indicators	Measures that are identical to other CPD programs—HOME, ESG, HOPWA or economic development—are preferred because they allow HUD to demonstrate greater overall impact of its programs.
Aggregation to national level	Measures should allow for aggregation at the national level.
Reliability/validity factors	Measures must be reliable and valid.
HUD-CDBG management concerns	Measures should have support of HUD policymakers and program directors.
Stakeholder concerns	Measures should have widespread support among stakeholder groups, particularly state and local governments.
Citizens	Measures should be understandable to citizens who might want to assess public expenditures.
OMB concerns	Measures should have OMB's support.
Overall usefulness assessment	Measures should rate positively on as many of the criteria above as possible to be considered for inclusion in the reporting system.

Select Performance Indicators and Build Stakeholder Consensus

The Panel created a list of performance indicators that it believes will satisfy most stakeholders most of the time. In some cases, stakeholders shared indicators that they had developed. The Panel then met with OMB and public interest groups to elicit comment on the viability of measures from their perspective. **Chapter 8** discusses these potential indicators for consideration by HUD.

Note: Shortly after this project began in October 2003, a working group led by COSCDA and comprised of NACEED, NCDA, NAHRO, HUD, and OMB began pursuing a similar initiative—creating performance measures for CDBG and improving IDIS. It was decided to keep this effort and COSCDA's separate. The COSCDA project is described in part on HUD's website at www.hud.gov/offices/cpd/communitydevelopment/programs/cdbg30/DUNCANperformance.ppt

Identify Performance Measures That Are Useful but Impractical

The Panel left open the possibility that some performance measures may be impractical due to the cost and availability of some data in some or all jurisdictions. The Panel did not identify any measures that CDBG management, OMB management or grantees should pursue. This is addressed in **Chapter 8**, as well.

Examine Alternative Performance Reporting Systems

Most performance measurement systems, especially those in federal agencies, employ administrative data (e.g., Census) client surveys or caseload data for program beneficiaries. There are numerous alternative vehicles or mechanisms that might supplement and complement program performance at the national level. The Panel reviewed some of these options, bringing them to the attention of HUD policy-makers by means of early drafts of this report. **Chapter 10** examines these options.

Recommend Modifications to IDIS

The Panel will later suggest modifications to IDIS to allow grantees to report and CDBG staff to extract performance indicator data from the system. Special attention was given to reliability and validity problems that might arise with the modification. Preliminary findings are reported in our report, **Integrating CDBG Performance Measures into IDIS**.

Rolling Out a Performance Measurement System

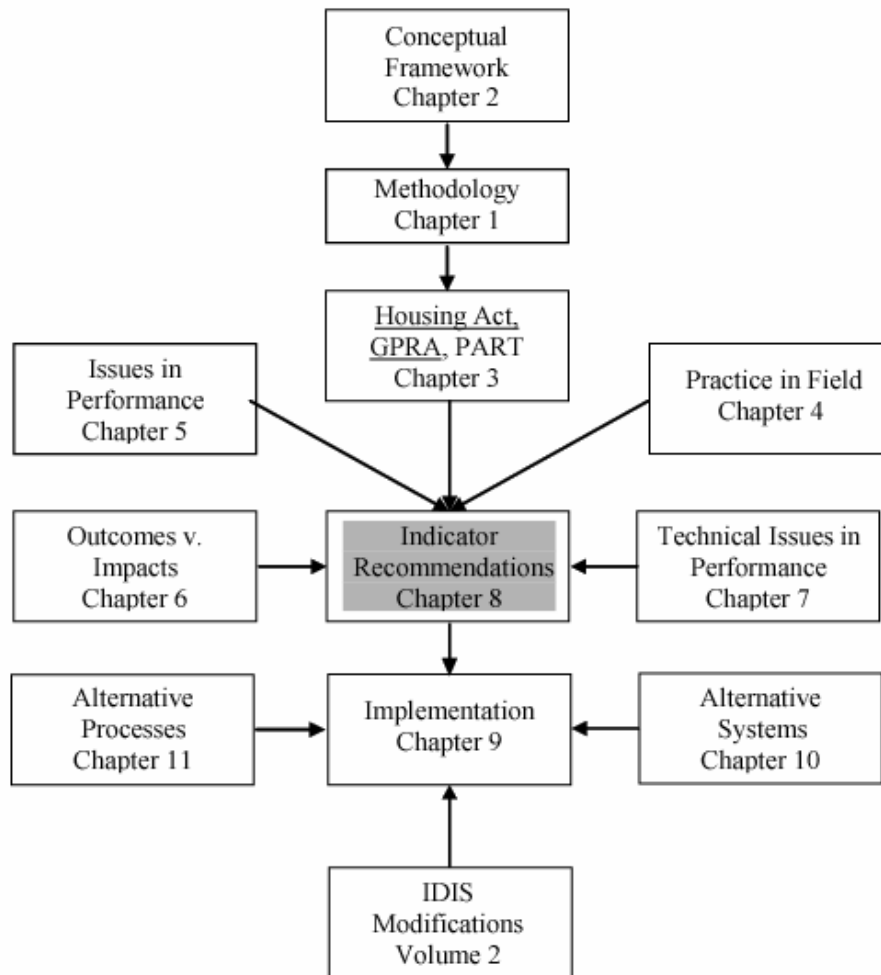
While considering potential CDBG performance indicators, the Panel identified several issues that warrant consideration when implementing a new system. Primary among them are the need to build partnerships among stakeholders to execute the new system, the utility of offering incentives to grantees to seek high levels of performance, and the possibility of phasing in the new system. **Chapter 9** addresses implementation.

Fitting the Pieces Together

This methodology sets forth criteria that a performance measurement system and its performance indicators must satisfy if HUD is to adopt them as alternatives to the existing CDBG IDIS system. No system or set of indicators is likely to satisfy all of the criteria—implicit or explicit. Yet only those that satisfy the most should be adopted.

The organizational schematic for this study and the resulting report is depicted below:

**FIGURE 1
ORGANIZATION OF THE REPORT**



CHAPTER TWO AN OVERVIEW OF PERFORMANCE MEASUREMENT

FINDING

Practitioners, policymakers, analysts, and advocates use performance measurement concepts in very different ways. This has led to disagreements on what is to be measured and how with respect to CDBG. The Panel offers a conceptual framework to guide performance measurement development. The Panel recommends that performance measurement focus on practical measures, rather than theoretical abstracts.

Performance measurement in the public management field has evolved considerably in the past five years. Nonetheless, there remains a great deal of confusion and dissension over what performance measurement is and how it should be undertaken and interpreted. In this chapter, the Panel lays out basic concepts and applications used throughout the study to ensure clarity and help guide the discussion.⁷ Prior to considering the conceptual framework, it is important to illustrate definitional problems in the context of CDBG.

DEFINITIONAL DIFFERENCES

Performance measurement is a fairly new practice in community development specifically, and public management generally. Numerous conceptual frameworks exist, which confuse the issue all the more. As a result, many practitioners do not clearly understand the definitions of and implications for performance measurement. What one community may view as an outcome indicator for a particular goal actually may be an output measure. Because outcomes and impacts are defined based on program goals and community priorities, the definitions and indicators vary not only by jurisdiction but also among national players, including HUD, OMB, the Urban Institute, Council of State Community Development Agencies (COSCDA), and others. In practice, performance measures most often focus on outputs, to a lesser extent on outcomes, and only occasionally on impacts. Inconsistent use of terms can impede understanding, increase the difficulty of developing measures, and inhibit meeting the needs of multiple entities and stakeholders. Consistent definitions and concepts are a simple yet essential first step in any effective performance system. To illustrate this challenge, Table 3 shows multiple definitions of “output,” “outcome” and “impact” that several organizations use.

⁷ This material is drawn in part from the National Academy of Public Administration publications produced by its Performance Consortium, a group of 40 federal agency managers responsible for strategic planning and budgeting; the COSCDA CDBG Performance Indicator Workshop Handbook, November 13, 2003; the W.K. Kellogg Foundation, Logic Model Development Guide, December 2001, www.wkkf.org; and hundreds of works summarized in an Appendix.

**TABLE 3
PERFORMANCE MEASUREMENT DEFINITIONS**

	HUD	OMB	COSCD A	Local Jurisdiction (Fairfax County)
OUTPUT	The direct products of a program’s activities.	A tabulation, calculation, or recording of activity or effort that can be expressed in a quantitative or qualitative manner.	The direct end-point of a process of activity; what programs produce.	Quantity or number of units produced; Outputs are activity-oriented, measurable, and usually under managerial control.
OUTCOME	The benefit that results from a program typically relating to a change in conditions, status, attitudes, skills, knowledge or behavior.	An assessment of the results of a program compared to its intended purpose.	The direct intended benefit to those being served.	Qualitative consequences associated with a program/service. Outcomes focus on the ultimate “why” of providing a service.
IMPACT	A definition for impact measures is not provided. Impacts are not deemed measurable.	Measures of the direct or indirect effects or consequences resulting from achieving program goals.	Long term or indirect effects of outcomes on communities or individuals.	A definition for impact measures is not provided. Impacts are not deemed measurable.

Sources: The COSCDA Performance Outcome Project: Background and Content; OMB Primer on Performance Measurement; HUD Notice: Development of State and Local Performance Measurement Systems for Community Planning and Development Formula Grant Programs; Measure Up: Fairfax County Manual for Performance Measurement.

Because a range of fundable activities are under each goal, cities and states have various interpretations based on the priorities of their jurisdiction. The issue is that jurisdictions define success under these goals differently, as well as the indicators for success.

KEY PERFORMANCE-RELATED CONCEPTS

Key performance related concepts are described below. The Panel does not suggest that stakeholders adopt this framework. Rather, it **recommends that stakeholders develop a common frame of reference for discussing issues of performance.**

Activities

Entitlement communities and states make CDBG investments in those activities deemed eligible under the Housing and Community Development Act of 1974 (a comprehensive list is included in Chapter 4). For accountability in reporting, CDBG-funded initiatives typically are translated into one or more activities so each can be assigned a unique code. For example, CDBG may fund a project to revitalize a downtown, but the individual components of the revitalization—housing rehabilitation, business assistance and infrastructure provision—are reported as separate activities. Community development practices, CDBG aside, seem to be more project based. Interestingly, CDBG reporting originally used “projects” for reporting purposes.

Measurements

Measurement is the act of comparing some object, thing, or entity against a known standard. Some examples: When the edge of a table is placed against a ruler with units of measurement expressed in inches, and it is observed that the table is 60 inches in length, then the length of the table’s edge has been measured. When researchers elicit responses to questions during a telephone survey, the respondent’s attitude, opinion or belief is the object being measured against the known standard, a specific survey question. When analysts calculate unemployment rates, they compare each person in the population against the definition of unemployment used by the Bureau of Labor Statistics, and then assign people to the employed or unemployed category.

Performance

Performance concerns how well a program did in attaining its goals and objectives. Performance measurement specifically assigns quantitative or qualitative⁸ scores or values to the results of measuring goal and objective attainment. A job training program, for example, reduced unemployment among participants by 50 percent over one year. The program can then be said to have met its goals.

Indicators

An indicator is a label, concept, term, or name representing the set of operations defining how measurement was, or will be, undertaken. Indicators can be either quantitative or qualitative, though only quantitative ones are discussed for the purposes of this report. The terms “metric” and “indicator” are used interchangeably here. Some examples: Analysts measure unemployment—an indicator—by dividing the number of people who are unemployed by the number of people in the labor force. An indicator of a person’s improved reading ability is comparing the score she earned on a standardized reading test taken at one time against the score on a test she subsequently took.

It frequently is difficult to translate quality of life, safety, community viability, or revitalization into precise quantifiable indicators. The reason is that such expressions are abstractions whose

⁸ An example of qualitative measurement is developing a case study of CDBG’s impact by illustrating how a CDBG-funded project changed people’s lives.

meanings are imprecise and vary considerably among people. In science terminology, they are considered theoretical concepts or constructs; in ordinary language, they are abstract nouns. Often, these expressions are conspicuous in program-authorizing legislation. Although such concepts as “viable communities” and “downtown revitalization” seem to have meaning, further consideration suggests they are unclear. What do “viable,” “community,” and “viable community” truly mean? There can be hundreds of indicators for one construct. Performance measurement for CDBG is especially complicated given the large number of theoretical constructs that characterize the program in legislation and practice. **The Panel recommends that stakeholders concerned with performance measurement focus less on discussions using theoretical constructs and abstract nouns, and instead concentrate on precise indicators that represent these abstractions.** Performance measurement in practice overwhelmingly focuses on indicators rather than abstract concepts.

Outputs

Outputs are products produced, engendered, created or developed as a result of undertaking an activity. When considering people, products include numbers of households, clients, participants, customers, citizens, patients or cases. For communities, neighborhoods, places or political jurisdictions, products include units, things, services, goods, items, or articles (note that notions of community, neighborhood and place are very ambiguous theoretical terms). Some examples: The number of low- to moderate-income people served by an activity is a people-based output. Number of houses demolished is a place-based output. The number of children served by a day care program in a neighborhood is an output combining people and places. Performance measurement focuses on people and place-based measurement.

Outcomes

Outcomes are intended benefits (or negative or neutral results) produced for people, businesses, institutions or organizations, or communities, neighborhoods, places, or political jurisdictions—any of which would be the result of a CDBG-related activity. People benefit by participating in an activity directly—such as a day care program—or indirectly—such as improved sidewalks in a neighborhood. People benefit as a result of positive change in condition, status, attitudes, skills, knowledge or behavior. Communities, neighborhoods, and places benefit as a result of positive change in condition or status. Some examples: A reading program participant’s reading ability may increase, decrease or remain the same as the result of participating in the program. Communities may be more or less “viable” or remain unchanged as a result of a CDBG investment.

Some outputs may be considered to be outcomes if they are interpreted as a positive or negative change. Reporting numbers of people hooked up to a potable water source is an output because it is the product of an activity. Yet it also demonstrates a positive change in the status of people or households from *not* having access to safe drinking water to having it. In an example above, “number of housing units demolished” is an output that may not be an outcome—there is no reference to whether demolition made things better, worse or had no effect. Practical experience shows relatively few outcome measurements, but numerous output measurements with outcome implications.

Impacts

Impacts refer to effects on people, communities, neighborhoods, places, or political jurisdictions caused by an activity, project, initiative, policy or program—that is, there is a cause and effect relationship. Some examples: If CDBG invests in a health care center, the intended outcome would be a healthier community. Such an investment may then cause improved (or at least maintained) community health status, which would be considered the impact. Generally, cause and effect are difficult to show, and many experts reject the possibility altogether. Indicators usually expressed as rates—crime, unemployment, mortgages, health, well being, to name a few—probably cannot be linked in a causal relationship with CDBG spending. In Chapter 7, the Panel cautions against employing causality. Although impact measurement is problematic, impact indicators—especially crime, unemployment and poverty—abound, if not always at the required level of small area detail.

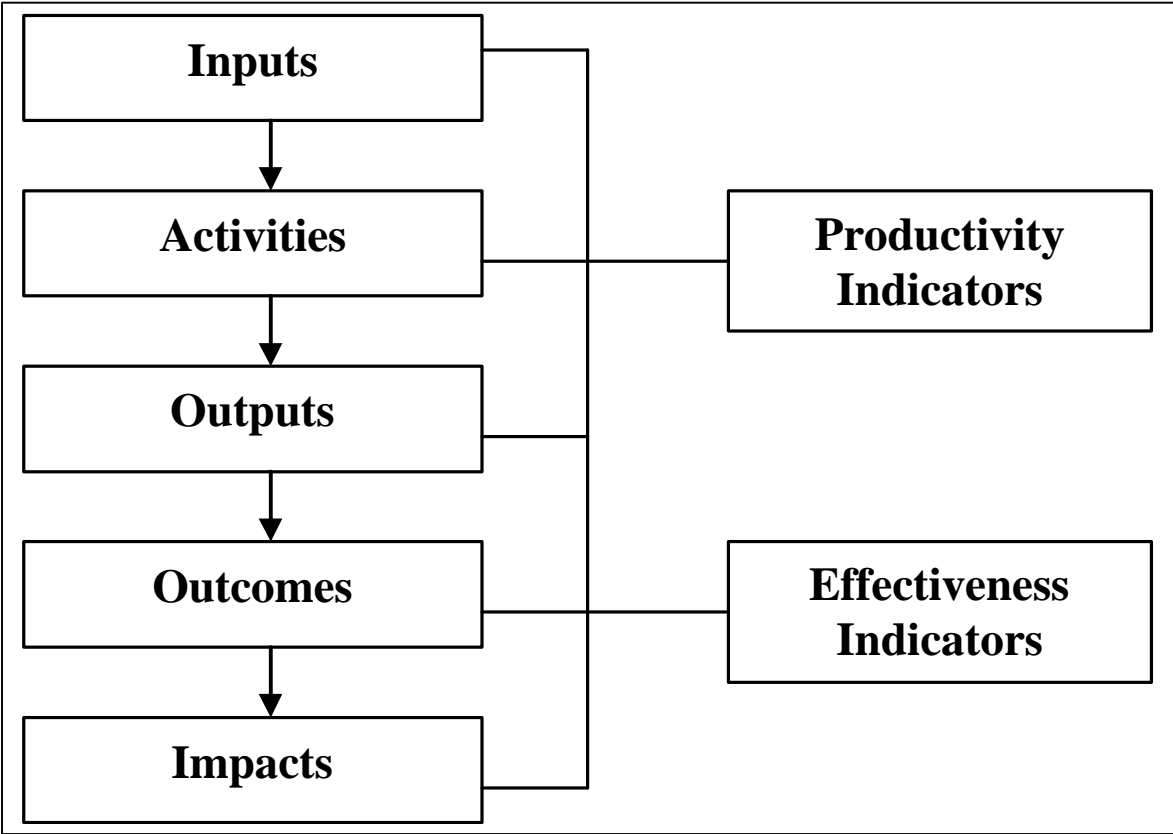
Some analysts argue that impacts must include a long-term component, often seven to 10 years. There is no compelling need to limit the concept in this fashion. A time parameter may be added to any indicator, but it should not be required. This is especially relevant when considering evaluation study designs that may assess one moment in time. Providing emergency shelter to a family for one night, for example, would not necessarily require tracking that family over time.

Efficiency and Productivity

Productivity and efficiency refer to quantity, quality, and speed (and their inter-relationship) for goods, services, cases, or people produced as a function of inputs: capital, labor, equipment, and resources. A high ratio of outputs to inputs characterizes efficiency. A low ratio demonstrates the opposite. With housing production, significant variability is extant in production efficiency. The differences can be due to quality of management, labor saving technology or new and improved building materials and techniques. As with time as a performance indicator, a clearly defined and replicable output must be produced with some inputs. Take, for example, average CDBG dollars to create a new job. If the objective is unique, circumstances are unusual or novel approaches are taken, it is virtually impossible to meaningfully assess efficiency or productivity. It may be easy to measure the efficiency of garbage pickup, but it is difficult to do for the provision of infrastructure grants to a community center sheltering domestic abuse clients.

Figure 2 provides a schematic that presenting how components of the performance measurement system fit together.

FIGURE 2
PERFORMANCE MEASUREMENT CONCEPTS



CHAPTER THREE LEGISLATIVE PURPOSE, POLICY AND ACCOUNTABILITY

FINDINGS

Panel believes that the Housing Act suggests that: (1) the mission or purpose of CDBG is clear and performance measurements can be derived from it; (2) the Secretary of HUD can compel grantees to report on nationally-determined performance measures; (3) the flexibility of CDBG necessitates reporting on only high priority performance indicators; and (4) CDBG need only be targeted to low to moderate income people, not places or institutions, per se. For GPRA: (1) GPRA imposes major performance measurement reporting requirements on all federal programs, CDBG being no exception and (2) CDBG can do much more to report accomplishments for and progress toward national goals. For PART: (1) CDBG's mission is clear according to PART definitions; (2) CDBG has never required grantees to target their programs geographically, so having no targeting requirement cannot be a shortcoming of CDBG; (3) Although it gathers a lot of data from grantees, CDBG has not reported long-term outcome data; and (4) CDBG has not reported sufficient efficiency and productivity data.

CDBG performance measurement is viewed very differently among entitlement communities, states, HUD, OMB, program recipients and community development public interest groups, not to mention analysts, researchers and advocates. Consensus on performance measurement systems has never existed and only recently has anyone attempted to build it.⁹ Disagreement revolves around conflicting interpretations of CDBG's purpose, mission, goals and objectives, as reflected in the Housing and Community Development Act of 1974; differing views about how CDBG program managers are held accountable for achieving results under GPRA and PART; and opposing opinions about the use of performance measurement to manage programs or promote accountability.

In this chapter, the Panel reviews key parts of the Housing and Community Development Act of 1974 which created CDBG, portions of HUD's strategic plan and performance reports as they relate to CDBG, and recent PART assessments of CDBG. Providing this context is critical because it dictates to a large extent how CDBG performance should be measured. Prior to this assessment, the Panel presents its perspective on stakeholder differences concerning accountability for, as well as the purpose and management of, the CDBG program borne of lengthy conversations. These views do not necessarily represent official positions of stakeholder organizations or policymakers.

⁹ This project is one attempt to help achieve needed consensus. See also note on COSCDA project, p.12, this report.

Overall, the Panel concludes that there is sufficient common ground to construct a performance measurement system that will satisfy all stakeholders, regardless of differences of opinion concerning specific issues.

STAKEHOLDER PERSPECTIVES ON PERFORMANCE

Stakeholders have competing views of the CDBG program. Many of them understand—and embrace the fact—that CDBG must report its accomplishments, although some do not. The federal budget is not unlimited and every year there are more claimants on it. HUD and CDBG grantees believe that CDBG investments have had major contributions to people and communities. OMB is more skeptical, reserving judgment until these contributions can be quantified. Nonetheless, many seem to agree that whatever its accomplishments, CDBG has not done enough outcome performance reporting to make the case that it has been successful. Anecdotal and unsystematic evidence abounds, and scattered data spread far and wide.¹⁰ There is agreement that performance should be measured, but there is substantial disagreement about how to *do* it—especially with respect to data reporting under IDIS—and how to *use* it.

OMB Performance Measurement System Requirements

From OMB’s perspective, credible evidence is needed to demonstrate that CDBG expenditures have transformed communities.¹¹ It wants CDBG program performance tied to budgets; poor performance risks funding cutbacks or elimination. Absent credible evidence of impact, OMB is unwilling to accept the proposition that CDBG performed well, but simply did not demonstrate it.

Performance measurement must be derived from the CDBG program and HUD’s vision, mission and purposes, according to OMB. Goal and objective setting directions and milestones must link directly to specific performance indicators. Such a system allows all stakeholders, including citizens, to consider CDBG’s purpose, what it was intended to accomplish, and how well it performed. To develop a successful performance measurement system for CDBG, OMB wants HUD to establish clear program goals and objectives, and develop information technology necessary to gather, report and evaluate them. To satisfy policymakers, OMB offers two possibilities for a system. The first option requires HUD to create a set of core measures that all entitlement communities and states must use if they invest in these activities. The second requires HUD to mandate some indicators under national goals, yet allow jurisdictions flexibility in developing local approaches to measure them.

Prior to setting up the system, OMB wants CDBG stakeholders to agree on the elements that constitute a developed or viable community model, define community development at the national and local levels, and develop consistent data reporting standards for all jurisdictions. After the system is in place, grantees should demonstrate that funding is leading to the development of “viable communities.

¹⁰ www.hud.gov/news/release.cfm?content=pr04-088.cfm

¹¹ A perspective on OMB’s view of performance measurement is found in Dustin Brown, Presentation before the CDBG Conference, September 14, 2004. www.hud.gov

Additionally, OMB wants HUD to encourage jurisdictions to concentrate funds in a few targeted neighborhoods where investments will have greater impact and to impose performance indicators on entitlement communities and states, preferably with widespread consensus.

HUD Performance Measurement System Requirements

HUD management believes that program flexibility is one of CDBG's cornerstones as it allows jurisdictions to plan activities to suit local needs.¹² Because any attempt to reduce flexibility is viewed as negating the program's purpose, HUD is reluctant to accept standardization through performance measurement in exchange for limitations on flexibility. The department believes, as do state and local jurisdictions, that performance measurement for CDBG should be as simple as possible and consider only those data that jurisdictions already collect. The more data requested, the more resistance states and entitlement communities will exert. At the same time, HUD has never reduced data reporting requirements for grant recipients.

HUD seeks a performance measurement system to address how CDBG activities and programs achieve department-wide goals in housing, community development, and economic development. Because there are numerous, mutually valid ways to measure performance, HUD feels the national system should be limited to a few broad, high priority indicators that reflect the program's contribution nationwide, including several performance indicators that measure areas of excellence and those needing improvement. HUD's preference is to measure outcomes, not impacts, because it does not believe that impacts can be tied to specific CDBG activities. Given this desire, local program flexibility does not easily lend itself to reporting a few national performance indicators that can be aggregated from the local level. HUD believes that OMB is incorrect in asking it to impose a performance-based model where "one size fits all." Rather, HUD seeks a balance in approaches.

State and Local Jurisdictions' Performance Requirements

City, county and state jurisdictions recognize the need for performance measurement systems. Nearly all have something in place and most are moving to make these systems more sophisticated, and thus more accountable for performance and useful for management. Entitlement communities and states support the need to report performance on national goals and objectives because they are well aware that program funding may hinge on demonstrating program accomplishments. For them, however, a performance measurement system should be based primarily on local goals and objectives. After all, they invest CDBG monies in activities that meet local needs and are reflect local preferences. Entitlement communities and states equate mission and flexibility. Cities, counties, and states frequently expend CDBG funding within a much broader use of local, state, other federal and private funds. As such, these investments, which far exceed CDBG funding, should drive performance. Many grantees believe they are held accountable first and foremost to state and local elected officials, and they

¹² A perspective on HUD's views about performance measurement is found in Robert Duncan, *CDBG Performance Measures*. www.hud.gov

operate their own performance-based management systems that tie directly to budgets, planning and policymaking.

Any OMB or HUD-imposed system should comport with other systems that may be in place. If jurisdictions have their own performance measurement systems and CDBG is flexible addressing their needs, they may be hard pressed to accept a nationally-imposed system that takes them too far a field from local operations. Many cities and counties have limited time, staff and resources to dedicate to performance measurement, and therefore may resist requests for new or competing data collection and reporting systems. That communities award funding to sub-grantees, which also lack resources, makes the process all the more difficult. The bottom line is that requests for data and measures should be limited to what jurisdictions already collect or can easily collect through existing resources. This is especially true for performance measurement systems for states, which receive CDBG funds and must award them on a competitive basis to local jurisdictions. These awards can be targeted to small, individual activities executed under short time horizons. Because funds are competitively allocated, states need performance measurement consistent with their program.

Entitlement communities and states extensively target funds geographically in communities, but do not want their programs to be limited by any targeting requirements, except to low- and moderate-income people.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

Overview

When Congress passed the Housing and Community Development Act of 1974¹³, it broke down the barriers of prevailing practice, namely that the federal government made decisions about locally-undertaken community development projects. The Act departed from this model by creating the CDBG program, which merged seven categorical programs into a block of flexible community development funds distributed annually according to a formula that considers population and measures of distress, including poverty, age of housing, housing overcrowding, and growth lag.

Entitlement communities and states determine the activities they will fund contingent on certain requirements, including that each activity is eligible and meets one of the program's three broad national objectives. The Act states that, "The primary objective of this Title is the development of viable (urban) communities, by providing decent housing, and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income..." The statute also lists 25 eligible activities, which HUD since has expanded to approximately eighty for classification and monitoring purposes. (These are shown in Box 4.)

¹³ www.hud.gov/offices/cpd/community_development/programs/index.cfm

**BOX 4
CDBG ACTIVITIES**

ACQUISITION/PROPERTY	PUBLIC IMPROVEMENTS
Acquisition real property	Public facilities: general
Disposition	Senior centers
Clearance & demo	Handicapped centers
Clean-up contaminated sites	Homeless facilities
Relocation	Youth centers
ECONOMIC DEVELOPMENT	Neighborhood facilities
Rehab: public or private	Parks, recreation
Land acquisition/disposition	Parking
Infrastructure	Solid waste disposal
Building acquisition, cons., rehab	Flood drain
Other improvements	Water/sewers
Direct financial assist. for-profits	Sidewalks
Technical assistance	Child care centers
Micro enterprise	Tree planting
HOUSING	Fire stations
Loss of rental income	Streets
Housing construction	Health centers
Direct homeownership assist.	Abused/neglected children centers
Rehab: single unit res.	Asbestos Removal
Rehab: multi-unit res.	HIV/AIDS facilities
Public housing modernization	Operating costs: homeless/AIDS
Rehab: publicly-owned res.	Interim assistance
Energy efficiency	Architectural barriers
Rehab: acquisition	Privately owned utilities
Rehab administration	Non-residential historic pres
Lead-based/hazard abatement	URBAN RENEWAL
Code enforcement	Urban renewal completion
Residential historic pres.	CDBG higher ed
HOME Admin	
HOME CHDO operating	
CDBG non-profit capacity building	
CDBG oper & repair foreclosed prop.	
PUBLIC SERVICES	
Public services: general	Health services
Senior services	Abused & neglected children
Handicapped services	Mental health services
Legal services	Lead screening
Youth services	Subsistence payments
Transportation services	Homeownership assistance
Substance abuse	Rental housing subsidies
Battered spouses	Security deposits
Employment training	Tenant/landlord counseling
Crime awareness	Child care services
Fair housing	

Performance Measurement Implications

The Panel made the following conclusions about the Housing and Community Development Act of 1974 as it relates to performance measurement systems:

- **Activities under CDBG are so numerous that a performance measurement system cannot likely capture them all.** Given the highly variegated eligible activities under CDBG, comprehensively measuring its performance is not likely feasible. As discussed in Chapter 4, entitlement communities and states might track 100 or more indicators and then only touch the surface of performance measurement. At best, only a handful of activities of highest priority to entitlement communities and states and/or to HUD and OMB can be used in practice.
- **The Housing and Community Development Act of 1974 allows HUD to require entitlement communities and states to measure performance for activities significant to national policy goals as specified by HUD.** The statute clearly indicates that outcomes must be tied to entitlement community and state needs as well as to HUD-determined national goals and objectives.
- **There is no geographical targeting requirement, implied or expressed, in the Housing and Community Development Act of 1974.** CDBG is a block grant that merged numerous disparate, categorical programs for the purpose of achieving a wide range of community development objectives through numerous activities. Other than targeting funding to low- and moderate-income people, there is no geographical targeting requirement. Requiring that funding be geographically targeted may run counter to the statute's purpose: flexibility.

GOVERNMENT PERFORMANCE AND RESULTS ACT

Overview

In 1993, Congress passed the Government Performance and Results Act (GPRA),¹⁴ which imposed performance-based management on all federal agencies. “The purposes of this Act are to – improve Federal program effectiveness and public accountability by promoting a new focus on results, service quality and customer satisfaction–help Federal managers improve service delivery, by requiring that they plan for meeting program objectives and by providing them with information about program results and service quality.” The information required agencies to:

- Establish performance goals to define the level of performance to be achieved by a program activity.
- Express such goals in an objective, quantifiable, and measurable form.

¹⁴ Government Performance and Results Act of 1993, (b) Performance Plans and Reports, Section 1115. Performance Plans.

- Describe the operational processes, skills, technology, and the human capital, information, or other resources required to meet the performance goals.
- Establish performance indicators to be used in measuring or assessing the relevant outputs, service levels and outcomes of each program activity.
- Provide a basis for comparing the actual program results with the established performance goals.
- Describe the means to be used to verify and validate measured values.

Federal agencies must prepare five-year strategic plans and follow-on annual performance plans with detailed goals and objectives, accompanied by performance measures against which they are held accountable. Agencies post their plans and accomplishments on websites accessible to the public. GAO, an agency of Congress, independently monitors and assesses agencies' performance by periodically assessing their reports.

CDBG's Contribution to the HUD GPRA Report

Table 4 shows the goals and objectives that HUD included in its strategic plan for 2003-2008.

**TABLE 4
HUD STRATEGIC GOALS**

Mission: <i>Increase homeownership, support community development, increase access to affordable housing free from discrimination.</i>		
INCREASE HOMEOWNERSHIP	PROMOTE AFFORDABLE HOUSING	STRENGTHEN COMMUNITIES
Expand national homeownership.	Expand access to affordable rental housing.	Provide capital and resources to improve economic conditions in distressed communities
Increase minority homeownership.	Improve physical quality and management accountability of public and assisted housing.	Help organizations access resources they need to make their communities more livable.
Make home buying process less complicated and less expensive.	Increase housing opportunities for elderly and disabled.	End chronic homelessness and move homeless families and individuals to permanent housing.
Fight practices that permit predatory lending.	Help HUD-assisted renters make progress toward self-sufficiency	Mitigate housing conditions that threaten health.
Help HUD-assisted renters become homeowners.		
Keep existing homeowners from losing their homes.		

Source: <http://www.hud.gov/offices/cfo/reports/03strategic.pdf> and <http://www.hud.gov/offices/cfo/reports/2004/2004app.pdf>

CDBG invests in activities whose indicators somehow show CDBG's contribution to HUD-wide strategic goals and objectives. At present, CDBG provides only two indicators—number of jobs created and number of households assisted—to the overall performance assessment.

Implications for Performance Measurement

The Panel made the following conclusions in its review of GPRA and its relation to CDBG performance:

- **GPRA places major performance measurement requirements on all federal programs.** Some might argue convincingly that the Housing and Community Development Act of 1974 imposes very limited performance measurement requirements on entitlement communities and states. Yet GPRA, passed nearly two decades later, imposes extensive data gathering and reporting requirements on HUD and entitlement communities and states by extension. **The Panel suggests that all stakeholders find ways to meet the letter of the law.**
- **CDBG contributes only two¹⁵ performance measures under GPRA.** CDBG should contribute more performance data in support of HUD's overall strategic plan and annual performance updates. Some performance measurements produced by entitlement communities and states must address HUD's strategic goals, which GPRA requires are not inconsistent with outcomes in the Housing and Community Development Act of 1974 of 1974. Thus, it appears possible to target performance measurements to the Housing and Community Development Act of 1974 and still satisfy GPRA.

PROGRAM ASSESSMENT RATING TOOL

Overview

In 2002, the Bush Administration launched the President's Management Agenda (PMA)¹⁶, which includes OMB's extensive review of individual agency programs using a management tool, the Program Assessment Rating Tool (PART), composed of about 30 questions addressing various aspects of program design, management, and results. Program ratings based on the PART are used to help inform budget decisions on agency programs. Results of this analysis and detailed answers used during the rating process are posted on OMB's website, as are instructions for answering each question. This transparency enables interested persons or groups to judge for themselves how programs are performing, regardless of whether they agree with the ratings.

¹⁵ CDBG also reports on the percentage of low- and moderate-income people benefiting from entitlement community and state funds, respectively; increase number of Neighborhood Revitalization Areas approved; and increase share of completed activities for which grantees satisfactorily export accomplishments. The Panel recognizes these as very important indicators, but considers them to be more compliance than performance. See [HUD FY 2005 Annual Performance Plan](#), Appendix B, at www.hud.gov/offices/cfo/reports/2005/2005app.pdf

¹⁶ See www.whitehouse.gov/omb/budintegration/pma_index.html

Results of OMB's PART Review

The CDBG program received an overall "ineffective" rating under OMB's PART review, conducted in Fall 2003 and summarized below CPD program management anticipated the rating, hence the execution of this project. PART rated the CDBG program as ineffective in four areas:

- lack of clarity in the program's purpose and design
- weak targeting of funds by CDBG formula and by grantees to areas of greatest need
- lack of transparent program and performance information
- lack of annual output or long-term outcome performance measures

Quoting directly from the PART:

1.1. Is the program purpose clear? Answer: NO. Explanation: The program does not have a clear and unambiguous mission. Both of the definition of "community development" and the role of CDBG plays in that field are not well defined. Evidence: Throughout the CDBG's legislative history there has been ambiguity between flexible, steady funding given to localities and the requirements to benefit low- and-moderate income individuals and neighborhoods. The program's statute cites multiple purposes, but the primary objective of the program is stated as "the development of viable urban communities." In describing the means to achieve this end, the statute includes, "providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." Another purpose was "consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs." HUD will attempt to operationalize a definition or definitions for what represents a "viable urban community."

1.4 Is the program design free of major flaws that would limit the programs effectiveness or efficiency? Answer: NO. Explanation: The model of providing flexible annual block grants to State and local governments is a strength of the program. However, the lack of standards and evidence of targeting funds limits the programs effectiveness and efficiency. Evidence: Concentrating CDBG dollars in specific areas represents a more effective use of these resources compared with communities that spread funds more thinly; however, the program provides few incentives (and no measures) for communities to target most funding to a specific neighborhood. The CDBG formula does not effectively target funds to the most needy communities and insufficient information exists regarding leveraging of private funds or cost effectiveness of the program's activities.

1.5. Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NO. Explanation: CDBG

funds can be targeted in two ways – 1) by the CDBG formula to States and localities and 2) by grantees to benefit neighborhoods or households. The CDBG formula has been less targeted to community need over time. Further, the two main types of activities – direct benefit and area benefit – do not require maximum benefits for low- and moderate-income persons or areas. Evidence: Formula Targeting – As new Census data was included in 1980, 1990, and 2000, the effect each time has been a weakening of the formula’s targeting to needy communities. The formula does give more funding per capita to communities with greater need; however, the share going to the two hundred communities with the highest poverty rates has decreased from 50 to 40 percent of the total since their first year of funding (this represents a decrease of about \$300 million each year). The 200 communities with the highest poverty rates receive 35 per cent less CDBG funds for each poor resident than 200 communities with the lowest poverty rates. Grantee Targeting – Requirements allow grantees to thinly spread resources across different specific neighborhoods. CDBG does not commit to a performance measure that encourage or track the extent to which grantees target funds (current measure tracks amount of funds spent on low- and moderate-income activities, not the targeting of funds to benefit low-income neighborhoods). For an activity that benefits individuals directly only 51 per cent of the beneficiaries must be low- or moderate-income. For a single family housing rehabilitation activity, however, this standard can only be met if each dwelling unit is occupied by a low- or moderate income household. Also, CDBG law allows nearly 40 percent of their grantees to fund activities that serve areas below the standard 51 percent low and moderate income required of most grantees (however, only 13 percent of entitlement grantees used this exception for activities that amount to less than 2 percent of all CDBG expenditures).

2.1. Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? OMB Answer: NO. OMB Explanation: “The measurable long-term goals CDBG identifies in their strategic plan and annual performance plan/report have a weak connection to the program purpose and do not focus on outcomes. CDBG has not developed a quantifiable measure that corresponds to its primary objective—the development of viable urban communities—or corresponding to the nine specific statutory program objectives.” (p.4) OMB Evidence: CDBG, one of the Department’s largest programs, is one of the only HUD programs unable to identify itself with any of the approximately 20 quantifiable long-term outcome goals included in HUD’s strategic plan. The HUD Strategic Plan objective to “strengthen communities” includes: (1) provide capital and resources to improve economic conditions in distressed communities; and (2) help organizations access resources they need to make communities more viable. The outcome measure, ‘neighborhoods in which significant CDBG investments have been made will demonstrate increases in measures of neighborhood health’ represents a start; however, the indicator has not yet been quantified.”

2.3. Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the programs long-term goals? OMB Answer: NO. OMB Explanation: “CDBG’s GPRA measures fall short of demonstrating progress toward achievement of the program purpose or strategic goals. CDBG is a flexible program that allows grantees to set their own program priorities, however, the program has not established a procedure to measure the extent to which grantees meet their own goals or the degree to which they meet the objectives of the program.” OMB Evidence: “HUD reports CDBG

accomplishments as two measures: number of households receiving housing assistance and number of jobs created. The number of households assisted with housing assistance does not contribute to our understanding of the program's contribution to the community or the person assisted (e.g., number assisted versus increase in home value or amount of annual energy savings). Likewise, the Annual Performance Plan measure, "the share of funds for activities that principally benefit low- and moderate-income persons" does not reflect grantee performance. Instead, the measure represents the percentage of funds spent on that national objective. The CDBG program does not have a targeting, leveraging or efficiency measure."

Source: www.whitehouse.gov/omb/budget/fy2005/pdf/ap_cd_rom/part.pdf and www.whitehouse.gov/omb/budget/fy2005/pma/hud.pdf.

Implications for Performance Measurement

The Panel drew the following conclusions when evaluating CDBG's PART assessment:

- **CDBG's statutory mission or purpose seems clear.** There is much consensus for having mission, vision and strategy guide performance measurement, rather than separating the two or developing performance before mission. Indeed, studies, assessments, and evaluations by the Academy, GAO, universities, think tanks and management consultants concur that the most successful public programs measure performance against clearly defined missions, visions, goals, objectives, and strategic directions, in addition to the purpose of the legislation creating them.¹⁷ Measures ought to be derived directly from them. If not, it will be difficult to determine program effectiveness.
- **The PART assessment found a "lack of clarity in the program's purpose and design." The Panel disagrees with this assessment.** CDBG, a highly flexible block grant, is intended as a source of funding to address needs of communities and states within a broad national framework. If the CDBG program lacks clarity, it is likely because the statute intended it so.
- **The PART assessment also found "weak targeting of funds by CDBG formula and by grantees to areas of greatest need." By this, OMB means place-based targeting. The Panel disagrees with this assessment for two reasons.** First, there is no targeting requirement in the legislation. Making CDBG more categorical by concentrating and focusing investments to places seems to contradict the statute's intent. Performance measurement should comport with purposes of a highly flexible, non-categorical block grant, not with a more focused, targeted program. Geographical targeting as policy assumes that CDBG investments in concentrated areas have greater impact than a more dispersed investment strategy. Some argue that the opposite strategy—dispersion—might have greater impact. \$1 million invested in a variety of activities in numerous places might prevent marginal places and at-risk populations from becoming distressed

¹⁷ The Academy conducted a comprehensive study of successful and unsuccessful federal agency start-ups and reorganizations for the new Department of Homeland Security. This and other Academy studies unambiguously supports this conclusion.

and dysfunctional, and become a distressed neighborhood in the future. The Panel believes that entitlement communities and states should decide how and where to invest CDBG funding.

Second, assuming for the sake of argument that the statute allows HUD to compel grantees to invest CDBG monies in targeted areas—as defined by HUD or OMB—the department has never done so. As such, the PART criticizes the program for policy decisions that were not in effect. If targeting is essential in that it is required for the successful execution of the CDBG program, it may be the case that only Congress can resolve this dilemma by amending the statute to remove any ambiguity that persists.

Geographical targeting of funding is not a HUD-required policy. The CDBG program leaves needs determination to policymakers at the state and local levels. Indeed, the statute’s purpose is to provide funding to communities and states that have very different needs at any given time. CDBG targets funding primarily to the benefit of low- to moderate-income people.

- CDBG is moving toward more accountability. For government to be credible, it must be held accountable. One way to do this is to provide performance information so that citizens can assess for themselves how well government is serving their needs. **PART found a “lack of transparent program and performance information.” The Panel agrees that there is very little easily accessible information on CDBG performance, particularly on the Web, though it notes that CDBG is gradually placing more summary performance data there.**¹⁸ Many entitlement communities and states report data for their own constituencies on the Web. Much more can be done. HUD should place all consolidated plans and annual updates on an easily accessible location on its website.
- CDBG has not reported sufficient performance measurement data for review by the Administration, Congress, public interest groups, and especially citizens, in spite of the fact that it requires grantees to report a great deal of information. **PART found a “lack of long-term performance measures that focus on outcomes.” The Panel agrees.** This project is an attempt to rectify the situation.

There seems to be inconsistency in block grant program assessments. CDBG is one of several block grants that underwent an OMB PART assessment. A cursory review of the evaluation scores assigned to those programs suggests that there are differences of opinion on what block grants do and how they should be evaluated. **The Panel recommends that OMB create an intra-agency working group of budget examiners to review block grant programs and develop a more consistent framework for applying the PART to them.**¹⁹

¹⁸ Many ConPlans are several hundred pages in length and often loaded with graphics, maps and tables, making them difficult to read electronically.

¹⁹ Since beginning this project, OMB has initiated such a program.

In addition to these general findings, the Panel notes specific implications of the PART process for performance measurement:

- CDBG must report more than the minimum number of performance measures required under PART to demonstrate its accomplishments. PART looks for a few performance measures that reflect program priorities. Two or three are acceptable, but the Panel believes that this number would be insufficient given the program’s multiple, wide-ranging objectives. There should be sufficient measures reported to cover the nine general statutory outcomes and GPRA’s strategic goals and objectives.
- Outputs are acceptable measurements under PART. Both outcomes and outputs are acceptable for measurement of performance. The Panel believes that it is desirable to use as many key high priority outputs as possible when structuring a performance measurement system, supplemented by outcome indicators. Doing so is much less expensive, supported by entitlement communities and states, and complies with PART.
- Leveraging can satisfy “but for” criteria. There is a “but for” requirement—funding that would not be available from other sources to address a problem—under PART. It can be measured by partially incorporating a leveraging indicator.²⁰
- Efficiency goals are required by PART. PART requires at least one efficiency goal and measure. The Panel believes that more measures might be needed in a block grant program of such complexity.
- PART requires baseline data for comparison. Baseline data, as discussed in Chapter 7, is highly problematic with respect to CDBG. The Panel suggests that OMB reexamine this requirement under PART to assess its implications for measuring block grant performance.

PART requires partnering with program grantees. A collaborative effort is needed among stakeholders to increase chances that a new performance measurement system will be effective.

²⁰ This is a complex issue discussed in greater depth in Chapter 6.

CHAPTER FOUR STATE OF THE ART IN COMMUNITY DEVELOPMENT PERFORMANCE MEASUREMENT

FINDING AND RECOMMENDATION

After reviewing hundreds of documents, the Panel concludes that the vast majority of cities, counties and states extensively employ performance indicators for a variety of uses, and mostly rely on output and impact indicators where outputs can be interpreted as outcomes.

The Panel recommends that a CDBG performance measurement system fit as much as possible within existing entitlement community and state systems, but that more outcome indicators be incorporated where possible.

The Panel reviewed nearly 200 performance measurement reports for state and local governments, federal agencies, citizen groups, foundations, think tanks, housing associations, foreign governments, and social science literature. Many are indexed in the Appendix, and all are listed in their entirety on the Academy's website at www.napawash.org. The Panel also reached out to public interest group representatives and CDBG program directors to elicit information on performance measurement practices. This chapter is divided into two parts: The first summarizes common practices and the second offers illustrative case studies. For each case study, a statement about its relevance is included.

ENTITLEMENT COMMUNITIES AND STATE PERFORMANCE MEASUREMENT

Performance Measurement System Prevalence

The Panel found that the vast majority of cities, counties and states have existing performance measurement systems. These systems range from very sophisticated, state-of-the art approaches to fairly minimal efforts. Overall, states seem to have fewer well-developed systems for CDBG than entitlement communities. In November 2003, the project team polled state community development agency directors attending a meeting under the auspices of the Council of State Community Development Agencies (COSCDA). Each director was asked to report on his or her state's efforts to incorporate performance measurement systems into CDBG. The majority did not have independent systems in place, but were moving quickly to implement one. Only a handful had such systems, but most of these were output based and not comprehensive. Only Pennsylvania—a state participating in HUD's demonstration project on alternative ConPlans—

had a sophisticated system design it hoped to eventually implement. One-third of the states have relevant benchmarking systems, but not dedicated to CDBG. Nearly all jurisdictions seem to be moving more toward greater sophistication. They will be more likely to participate in CDBG performance measurement if the measures they now use comport with HUD-measures adopted for the program.

COMMON PRACTICES

The Panel's review of the state-of-the-art performance measurement as it relates to community development yielded the following general findings:

It is common for programs to link mission, strategy and performance. The Panel's review showed that community development agencies, with few exceptions, have mission statements, strategies and goals and objectives. They are presented as stand-alone documents or merged with others, especially those associated with budget requests and annual reports. At the same time, much remains to be done to link specific aspects of mission, strategy and goal setting directly to community development performance indicators.

Performance indicators tend to be tied to projects or programs, not specific activities. The lion's share of performance documentation relates to project- or program-level initiatives, rather than activities that grantees report through IDIS to HUD. For example, a program may report accomplishments for an industrial park development rather than for the constituent activities—water, sewers, demolition, land preparation, etc. Practitioners trade specificity for simplicity and clarity. Further, most people can identify with projects than activities.

Performance indicators are reported for a diverse range of geographical designations (e.g., census tracts, districts, wards or neighborhoods) and for cities, counties and states. Community development largely is reported by a local geographical area, and then aggregated to the city or county level. Most geographical reporting tends to be for large geographical areas, rather than small. One reason is that large jurisdictions would produce massive—even more massive—reports to accommodate the data if they were to report on small areas.

Performance indicators are likely to be outputs based mostly on cases although output indicators may relate to communities, especially at the state level. For the most part, local community development activities are people based. The Panel knew of no case where a city or county reported numbers of places served. States are different as they report on the number of places (communities) assisted. This pattern likely exists because performance measurement systems were put into place long before outcome measurement became the state-of-the-art assessment approaches. Additionally, diffusion of knowledge has been slow to permeate state and local government, but this is rapidly changing. The Panel concludes that indicators should include output measures that can be interpreted as outcomes whenever possible.

Output indicators can be interpreted as outcomes in many cases. Although community development performance employs output measures extensively in most jurisdictions, many of them reflect outcome-related activities.

Outcome measurement is less prevalent than output measurement. Outcome measurement is relatively scarce in community development. Where reported, it tends to focus on programs or projects where there is a clearly defined beneficiary or participant group that can be assessed and tracked.

Impact measurement is common, but there is little concern about whether programs or projects actually lead to the impact. Many communities report crime rates, unemployment rates and income at the city or county level and occasionally by census tract. These impact data have not been tied to specific projects, programs or activities. Few if any reports examined actually demonstrated that increases or decreases in impact measures resulted directly from a public investment.

Performance indicators are reported annually and change in performance is calculated. Community development documents report changes in annual expenditures and performance. These tend to occur not at the activity or project level, but for budget line items. Take, for example, the numbers of people assisted by CSBG or CDBG. This likely reflects sensitivity that public and private investment in community development varies from year to year, with numerous projects starting and ending throughout the period.

Subjective performance measurement is relatively rare. Some organizations and programs report subjective measures of performance—how residents feel about their communities through surveys or focus groups, for example. Yet these are not widely used. They are expensive to produce and difficult to aggregate.

COMMON PRACTICE CASE STUDIES

From the hundreds of case studies examined, the Panel provides case studies detailing different approaches to performance measurement in a community development context generally, and CDBG specifically. They are discussed in no special order.

Pennsylvania CDBG²¹

Pennsylvania is a HUD demonstration project for performance indicators. The system is under development, and has not been approved or tested. The indicators represent a wide range of possibilities for states and communities. At the same time, many of the indicators are impact measures that cannot be directly linked to CDBG investments. It is unclear whether Pennsylvania will be able to gather data on such a large number of indicators.

The State of Pennsylvania operates several initiatives in which municipalities coordinate community and housing development plans. It has an entitlement program for designated

²¹ Consolidated Plan: 2004-2008. Pennsylvania Department of Community and Economic Development, December 2003.

communities, as well as a competitive CDBG grant program.²² Most significantly, Pennsylvania uses its current consolidated plan to set outcome measures to guide its community development and affordable housing strategy. The impetus for utilizing them originates in the Pennsylvania Community Services Block Grants program, which relies on the Results Oriented Management and Accountability approach described in this report.

Pennsylvania's consolidated plan lists 11 goals for state community and housing development programs. The plan then presents outcome measures, which will be used to determine if the goals will be used. The plan does not outline the activities to be pursued to meet the goals (activities=output), but permits flexibility and maintains an emphasis on meeting goals. The outcomes used to evaluate the goals were developed with public input. In addition, a set of common measures relevant to the goals accompanies the outcome measures themselves. The measures, along with analyst commentary (*in italics*), are summarized below:

Common Measures

- Private dollars leveraged (including loans/mortgages)
- Persons/households assisted by activity and by income level
- Dollars expended per activity
- Vacancy rates of the neighborhood/community as a measure of its stability
- Diversion from institutions (e.g., nursing homes) or more restrictive placements (e.g., group homes)
- Increased value of homes and/or equity of households assisted
- Tax base increases
- Employment of people at living wage incomes
- Projects using “green building” technologies as certified by LEED Standards
- Number of new business starts and expansions

Goal: Maintain and Revitalize Neighborhoods and Housing

Comment. *The poor quality of the housing stock is generally identified as one of Pennsylvania's largest housing problems. Census data does not contain sufficient information needed to analyze this problem; however, the decennial Census contains information about some of the most severe problems such as the lack of a kitchen or bath. Homes with complete kitchens and baths may still have major structural problems such as faulty roofs, bad wiring, plumbing problems, defective heating/cooling systems, etc. In addition, more than 2.1 million housing units in Pennsylvania, or 41% of all units, were built before 1950. This information about the deficient structural condition of Pennsylvania's housing stock, substantiated by public input, implies that a significant need to preserve and maintain our neighborhoods exists.*

²² www.inventpa.com

- **Primary Measure:**

- Number of homes assisted with housing code violations that are eliminated

- **Optional Measures:**

- Energy cost savings provided: Available through weatherization standards
- Saved demolition costs by maintaining home: Average demolition cost per rehab
- Non-assisted homes repaired (percentage of home improved without assistance)
- Reduced code violations (percentage reduction of violations reported annually)
- Building permits (percentage increase in building permit values)
- Housing values increased (local market analyses/property reassessments)
- Foreclosure rates
- Community clean-up/improvement projects (hours of volunteer work/homes helped)
- Employment/economic opportunities:
- Construction-related jobs where housing rehab is consistently over 50% of annual work
- Number of firms doing over 50% of their work on rehab grant work annually
- Waiting list reductions

Goal: Build Capacity of Community—Based Organizations and Local Governments

Comment. *Another important concern is the need to improve the capacity of local governments and local housing organizations to develop, manage, and maintain affordable housing. Private sector developers and may also need to improve their capacity to work with other housing organizations or to learn how to use housing assistance programs.*

- **Primary Measures:**

- Grantees with audit problems
- Grantees exceeding spending goals

- **Optional Measure:**

- Number of community development professionals trained

Goal: Provision of Supportive Services for and Service-Enriched Housing

Comment. *The Commonwealth encourages developers to provide service-enriched housing that will help low-income residents maintain or achieve greater personal, social, and economic independence and an enhanced quality of life. Support services help meet an array of needs for individuals and families placed in housing. The Commonwealth and its housing professionals have long recognized the need to educate families and individuals about the importance of maintaining a job, budgeting finances, and properly*

maintaining a home. The Commonwealth will continue to provide support services and to increase the level of these support services in order to keep families and individuals housed.

- **Primary Measure:**
 - Cost savings of maintenance and operating costs achieved
 - Supportive services (includes improved rent collection, reduced turnover and reduced eviction costs).

- **Optional Measures:**
 - People/households move to higher level of self-sufficiency
 - Number of people with access to needed support services (includes transportation)
 - Partnerships established with service agencies (like CAPs) with specific activity results
 - New services funded with CDBG or local resources
 - Improved financial status of residents via counseling, credit repair, or energy education
 - Reduced crime rates
 - Number of housing projects with service coordinators or service management agreements

Goal: Improve Rental Housing Opportunities

Comment. *Census data indicate that renters have more housing problems than homeowners. When renters are compared to homeowners of the same household type and income level, the percentage of renters with housing problems is higher than owners. Several rental needs, such as large families and preservation of the existing rental housing stock, are critical. Although there are Federal and state resources currently used for rental housing, the Commonwealth will continue to improve opportunities to develop affordable rental housing.*

- **Primary Measure:**
 - Number of affordable units developed for low-income households

- **Optional Measures:**
 - Affordability for target groups:
 - Affordability for extremely low-income households (30% or less)
 - Affordability for assisted living units
 - Improved tenant usage:
 - Vacancies rate of assisted rental stock
 - Turnover rates

- Actual median family income of tenants based on survey, not on rents charged
- Mixed-income development:
- Number of affordable units not receiving ongoing rental assistance (without Section 8)
- Percentage of units that are market rate
- De-concentration of assisted housing units
- Promoting self-sufficiency:
- Percentage of renters that become homeowners
- Percentage of former homeless or transitional housing residents now tenants/renters
- Accessibility: Accessible units provided for beyond minimum requirement
- Visitability: Number of units developed
- Adaptable: Number of units developed
- Improved quality of rental housing:
- Preservation of existing affordable rental units
- Code compliance of rental units via rehabilitation
- Wait list reductions

Goal: Assist Families and Individuals to Become Home Buyers

Comment. *The Commonwealth recognizes that homeowners, even low-income owners, take greater pride than renters do in their property and community, and tend to maintain their homes and neighborhoods, thus, providing stability to the neighborhood. Homeowners also contribute more to the tax base of a local government. Lastly, in some areas; once the down payment and closing costs are covered, home ownership can be more affordable than renting. While every household may not be suited for home ownership, many households might solve housing problems, build financial wealth, and gain an enhanced sense of belonging to a community if they were able to purchase their first home.*

- **Primary Measure:**

- Number of successful homebuyers assisted after five years (i.e., not foreclosed after five years)

- **Optional Measures:**

- Percentage of buyers receiving home ownership counseling
- Mortgage delinquency rates
- Employment/economic opportunities:
- Construction-related jobs where homebuyer work is consistently over 50% of annual work
- Number of firms doing over 50% of work on home ownership grant work annually
- Educational benefits of stability in school population
- Community involvement:

- Participation in community organizations (number of volunteer hours, percent of population. involved)
- Voter participation rates

Goal: Use a Continuum of Care to Address the Economic, Social, and Health Problems of the Homeless

Comment. *The Commonwealths priority to assist very low-income households will benefit homeless individuals and families. The state has developed four regional continuums of care that have identified the number of homeless in the state and the housing and support services required to address the homeless.*

The driving forces behind homelessness are often economic and/or social problems. Subsidies and assistance for housing development programs can help many very low and low-income people overcome their housing problems. However, for the homeless population with little to no income, physical or mental health problems, and/or a variety of addiction problems, housing may often be a secondary issue. While continuing to provide shelter and housing programs for the homeless, the Commonwealth's goal will be to address the economic and social problems as the primary causes. These needs must be addressed through a continuum of care, not a segmented and categorical approach.

- **Primary Measures:**

- Percentage of clients placed in permanent or transitional housing
- Reduction in number of persons who are homeless

- **Optional Measures:**

- Recidivism rate reduced (percent of people returning for service within one year)
- Percentage of people placed in employment
- Percentage of people obtaining increased wages
- Children placed in health care and education programs
- Shelters providing services
- Duration of stay in shelters and transitional facilities reduced (average days or months)
- Cost per client or family

Goal: Further Fair Housing and Address Community Opposition

Comment. *The Commonwealth's Consolidated Plan gives priority to projects that benefit low-income households and to projects that promote diversity housing opportunities or further fair housing within Pennsylvania localities. This priority is just one step the Commonwealth has taken to further fair housing in Pennsylvania. The Commonwealth has a strong network of state and local fair housing enforcement agencies and local advocacy organizations. The PA Human Relations Commission plays*

a statewide lead role with these organizations, and acts on behalf of FEUD in many investigation and enforcement actions annually.

- **Primary Measure:**

- Percentage of fair housing complaints resolved

- **Optional Measures:**

- Number of educational sessions held and persons trained

- NIMBY and affordable housing complaints pursued

- Percentage of households served in protected classes

Goal: Improve Water and Sewer Infrastructure Systems

Comment. *The Commonwealth's grantees receiving CDBG funds consistently identify sanitary sewer, storm sewer and water systems as their most pressing needs and use their funds accordingly. DCED has also identified these service needs as priorities for non-entitled areas of the Commonwealth that do not receive their own allocation of CDBG funds. The Commonwealth will continue to address these critical health and environmental needs through this goal.*

- **Primary Measure:**

- Number of systems assisted and brought up to standard levels of operation

- **Optional Measures:**

- Improved quality and quantity of water

- Percentage of low-/moderate-income households/families served

- Reduced inflow and infiltration

- Economic viability:

- Affordability of user fees

- Projected savings of user fees because of assistance

- Reduced health risks

Goal: Provide Critical Street Improvements

Comment. *Community development plans often require street and related improvements. These activities may be vital to both transportation needs, as well as having an economic impact for a community. The full range of these needs also include certain streetscape improvements that may be required in a downtown central business district or commercial corridor. The Commonwealth will continue to address these needs through this goal.*

- **Primary Measure:**

- Percentage of low-/moderate-income households served within one-half mile.

- **Optional Measures:**

- Streetscape improvements (sidewalks and lighting) for business development
- Reduced traffic accidents
- Reduce traffic violations
- Streetscape improvements for crime and accident reduction
- Emergency vehicle access improved
- Improve inter-modal access (bikes and pedestrians)
- Improved access to goods and services (based on survey of residents)

Goal: Develop Needed Community Facilities

Comment. *Community facilities can be a necessary element of a community development strategy. These facilities can be necessary for provision local services and holding community events. They also support local recreational needs. The Commonwealth will pursue this goal to support these community development needs.*

- **Primary Measure:**

- Percentage of target population served

- **Optional Measures:**

- Buildings with accessibility improvements
- Increased number and percentage of low-/moderate-income people served
- Utilization of facility
- Hours in use daily/weekly
- Revenue generated to support facility through various uses
- Collaboration/coordination of services:
- Co-location of service agencies established
- Number of services available
- Green space, open space and park availability

Goal: Develop Economic Opportunities

Comment. *This goal focuses on the needs of both workers and businesses. The efforts for workers require assuring that education, job training, and skill development programs adequately prepare them for the jobs that are available. The business efforts include providing economic assistance and loans that attract new firms, as well as retain and expand existing ones. Community development programs at the state and local level should link the two efforts together. The most important step to promote effective economic revitalization is to develop sound local community development strategies.*

- **Primary Measure:**
 - Jobs created and retained with sustainable wages and benefits.
- **Optional Measures**
 - Percentage increase in income for clients
 - Percentage of people retained in employment for nine months
 - Jobs with health benefits
 - Increased transportation access (car or transportation to work)
 - Education advancement
 - Child care and elder care needs
 - Availability/access of business capital

COSCD A²³

COSCD A's effort represents the state of the art in eliciting state support to develop a set of measures that programs can accept. COSCD A used a number of charettes and other group process techniques to develop indicators and build consensus around their use. In addition, COSCD A tied indicators directly to the goals and outcomes of the Housing Act. Indicators, which focus primarily on outputs that can be interpreted as outcomes, can be aggregated to the national level.

Drawing verbatim from COSCD A's performance initiative document:

Over the past 18 months, The Council of State Community Development Agencies (COSCD A), the membership organization for the State providers of CDBG...has engaged its members and outcome framework experts in the development of an "integrated outcome framework" which would address outcomes in the HUD programs listed above. In undertaking this project, COSCD A has decided to take a proactive design approach (rather than a reactive one). COSCD A members believe that those who deliver the programs at the community level are better suited to determine appropriate outcome indicators and measures for their projects and activities than agencies at the Federal level.

One of the basic tenets of our efforts is the strong belief that any outcome system must first and foremost be one that serves the management interests of those operating the programs. The strength of these Federal formula grants are their flexibility, designed so they can be tailored to meet state and local needs; therefore, outcome measures must also be flexible enough so that grantees can use them. This will ensure that the system is one that is meaningful, relevant and useful at the direct service level and will also help to ensure that the information gathered will be as valid and reliable as possible. A key COSCD A objective for implementation of an outcome system is that it should "add

²³ COSCD A's Outcome Framework System. Council of State Community Development Agencies, March 2004.

value” to existing programs at both the state and national levels without causing undue burdens to already taxed state and Federal reporting systems.

COSCD A believes that any nation-wide outcome system must be developed in accordance with the statutory purposes and objectives that govern the relevant programs. It should be noted that the proposed COSCD A Performance Outcome Measurement System provides a clear distinction between direct program outcomes on those being served in accordance with statutory requirements and indirect longer term impacts that might be affected by the accomplishment of these program outcomes.

The COSCD A Performance Outcome Measurement System is a comprehensive approach to measuring the outcomes of HUD’s four major community development formula grant programs – Community Development Block Grants, HOME Investment Partnerships Program, Emergency Services Grants and Housing Opportunities for Persons with AIDS. The System includes objectives, outcomes and indicators for each type of program activity (i.e., housing rehabilitation, water and sewer programs, shelter for the homeless). Every activity and project currently funded under the State CDBG, HOME, ESG and HOPWA Programs would be covered by this system.

Based on input from the membership, the COSCD A Board of Directors established that for this Performance Outcome Measurement System there are three overarching program objectives under which all CDBG...program activities, outcome indicators and measures will be grouped. They are:

- I. Creating Suitable Living Environments
- II. Providing Decent, Affordable Housing
- III. Creating Economic Opportunities

The COSCD A Task Force carefully selected a range of outcome indicators in order to allow the states to apply indicators which make the most sense given the outcomes they seek to achieve and the activities that they fund. The outcome indicators are:

- # of households assisted (i.e., with water/sewer, community centers, etc.)
- # of community-wide assistance activities
- # of new businesses assisted
- # of existing businesses assisted
- # of persons served (e.g., in shelters, in public services, etc). (broken down by LMI and other if necessary)
- # of jobs created
- # of jobs retained
- # of new homeowners assisted
- # of rental housing units produced
- # of new home ownership units produced
- # of housing units rehabilitated (to code)
- # of housing units repaired (for emergency)
- # of affordable housing units preserved

of years of unit affordability
dollars of investment leveraged

States will be able to choose which of these indicators to apply to their targeted outcomes depending upon the nature of the activity. Thus, a community that is building a new water system in a town might say that it has two outcomes: Improving Access to Potable Water and Enhancing Health/Safety. The outcome “Improving Access” might be measured by the number of households who access the new water system while the outcome related to “Enhanced Health/Safety” might be measured by the number of communities that participated in the program.

Most of the indicators above are measured in individual units (households, number of jobs etc.) However, for some activities, the proper unit of measure is number of communities. For example, if the activity is community revitalization and the outcome is promoting sustainability, the outcome indicator might be the number of communities that the state helped towards viability.

The McAuley Institute

The McAuley Institute’s approach is to ask citizens to rate their communities on measures that represent what they would like the community to be. It combines visioning and performance. Although the approach has great appeal, it is very expensive to implement given that it requires surveys and focus groups. Additionally, the highly subjective measures cannot likely be aggregated to the national level, or even compared across communities.

The McAuley Institute’s program to evaluate community development is unique in that it is developed collaboratively with grass roots community development advocates and practitioners. In effect, these are performance measurement and evaluation techniques designed to aid the decision-making and improve the end user’s resource utilization.

McAuley’s approach included 300 community development practitioners involved in finding ways to measure the community benefits of their development activities and to increase accountability to their constituencies.²⁴ Entitled the Success Measure Project (SMP), this effort involved collaboration with community development organizations, first to define and then measure “impact.” Based on a series of forums, practitioners created explicit definitions of their activities and the benefits provided. Such activities included housing, job training and community building. The participants also developed 44 outcome indicators to measure the benefits. This work is contained in the McAuley Institute’s Success Measures Guidebook, billed as “a practical tool for using participatory evaluation in community development program planning, implementation and management.”²⁵

Many approaches have measures and criteria that are developed internally and implemented via fiat. McAuley’s approach is different as the community, organization or program works to

²⁴ *Program Evaluation in Community Development*, 2001. McAuley Institute, Silver Spring, Maryland and Development Leadership Network, Boston, Massachusetts.

²⁵ <http://www.mcauley.org>

develop measures that not only make it more accountable in its stewardship of, but also enable it to better meet its objectives. This is accomplished with knowledge of capacities, constraints and social, environmental and political contexts.

Moreover, the SMP remains in the development and refinement phases. Give the collaborative nature, up to 28 organizations have used and tested the project-developed measures and developed the data sources for accurately measuring the indicator variables. This is done with technical assistance from the McAuley Institute and consultants working closely with the organizations. To date, only this approach has involved such extensive field-testing of community development evaluation measures. McAuley is working to involve up to 500 more community development organizations in this project.

The SMP uses a participatory process that involves community residents, program participants, staff, board and other stakeholders to document and analyze community development program outcomes. Stakeholders first articulate a “benefits picture” which describes, in practical terms, the impacts they hope a particular program will have. They then choose from a set of 44 SMP indicators that can measure these benefits; decide on appropriate data collection tools; collect information; analyze results; create reports; and use the knowledge gained to improve programs and inform others. SMP encourages community-based groups to think holistically about what they hope to achieve, to articulate the entire range of interconnected benefits that can result from programs, and to “begin with the end in mind.”²⁶

Consistent with current trends, the SMP focuses on outcomes, not outputs. The indicators used to measure particular indicators are listed below:²⁷

McAuley Success Measures Project Outcome Indicators

I. Housing Program Indicators

Set 1. Measuring Benefits to Residents of New and Rehabilitated Housing

- H1. Monthly Housing Cost and Affordability
- H2. Wealth Creation
- H3. Quality of Housing
- H4. Environmentally Sustainable Design and Construction
- H5. Self-Esteem and Stability
- H6. Participation in Community Life

Set 2. Measuring Benefits to Community

- H7. Sense of Community
 - a. Participation in Community Life
 - b. Number of Organized Community Activities in One Year

²⁶ Ibid.

²⁷ From *Summary, Success Measures Project*, www.McAuley.org

- c. Share of Residents Who Know Names of Neighbors in Adjacent Buildings
- d. Index of Residents' Satisfaction with Neighborhood

- H8. Visual Attractiveness of the Neighborhood
- H9. Community Use of Public Spaces
- H10. Neighborhood Security
- H11. Property Values
- H12. Proportion of Owner-Occupied Homes

Set 3. Measuring Benefits to Municipality and Society

- H13. Local Economic Impact
- H14. Job Training and Placement in Construction Trades
- H15. Duration of Residency and Resident Stability
- H16. Diversity of Incomes and of Housing Values and Types

II. Economic Development Program Indicators

Set 1. Measuring Benefits of Neighborhood-Based Business Support Programs

- E1. Number of Enterprises by Size and Type
- E2. Job Creation
- E3. Increase in Profitability

Set 2. Measuring Benefits of Job Training Programs

- E4. Employment and Income from Job Training
- E5. Trainee Evaluation of Job Training Program and Progress towards Family-Supporting Employment
- E6. Skills Acquisition (*not yet developed*)

Set 3. Measuring Contributions to Community

- E7. Attractiveness of Business District
- E8. Extent to Which Basic Community Needs Are Met By Local Businesses
- E9. Local Business Support of and Participation in Community

Results-Oriented Management and Accountability²⁸

Some observers offer Results-Oriented Management and Accountability, (ROMA) which pertains to the Community Service Block Grant (CSBG), as a model for CDBG notwithstanding programmatic differences. CSBG funds, distributed by Community Development Corporations with clearly defined districts and clientele, invest primarily in people and services. CSBG had a very ambitious data-gathering program that has been scaled back due to cost and complexity. An association is responsible for gathering and reporting performance data to the HHS. CSBG received low ratings on major areas of its PART assessment. By comparison, CDBG focuses on many more activities that are geographically based and not services (e.g., housing, recreation centers, small business incubators, and the like). CSBG is likely not a useful model for CDBG in spite of the apparent similarity between programs.

Results-Oriented Management and Accountability (ROMA) is an interagency initiative which promotes outcome-based management strategies for community, state, and federal programs that participate in the Community Service Block Grant program (CSBG). Designed in response to GPRA, ROMA provides a flexible architecture of six national goals toward which the CSBG network strives. Within these goals, agencies can show the outcomes they are achieving with CSBG funds, as well as other programs they undertake to assist low-income families and communities.

GOAL 1: SELF-SUFFICIENCY LOW-INCOME PEOPLE BECOME MORE SELF-SUFFICIENT

Direct Measures:

- a. Number of participants seeking employment who obtain it [as compared with the total number of participants].
- b. Number of participants maintaining employment for a full twelve months.
- c. Number of households in which adult members obtain and maintain employment for at least ninety days.
- d. Number of households with an annual increase in the number of hours of employment
- e. Number of households gaining health care coverage through employment.
- f. Number of households experiencing an increase in annual income as a result of earnings.
- g. Number of households experiencing an increase in annual income as a result of receiving allowable tax credits such as the earned income and childcare tax credits.
- h. Number of custodial households who experience an increase in annual income as a result of regular child support payments.

²⁸ www.state.ma.us/dhcd/components/dns/csbg/03/14goals.pdf

- i. Number of participating families moving from subsidized housing into stable standard housing, as compared with the total number of participating families.
- j. Number of households which obtain and/or maintain home ownership
- k. Number of minority households that obtain and/or maintain home ownership.
- l. Number of people progressing toward literacy and/or GED.
- m. Number of people making progress toward post secondary-degree or vocational training.
- n. Other outcome measure(s) specific to the work of your agency.

Survey Question Measures:

- o. Number of clients who consider themselves more self-sufficient since participating in services or activities of the agency.
- p. Number of clients reporting an increase in income since participating in the services of the agency.

Scale Measures:

- q. Number of households, which demonstrated movement up one or more steps on the scale or matrix measuring self-sufficiency.
- r. Number of households achieving positive movement in self-sufficiency as demonstrated by an increase of at least one point in the overall score of a Family Development Scale.
- s. Number of households achieving stability in the _____ dimension of a Family Development Matrix.

**GOAL 2: COMMUNITY REVITALIZATION
THE CONDITIONS IN WHICH LOW-INCOME PEOPLE LIVES
ARE IMPROVED**

Direct Measures:

- a. Number of accessible, living wage jobs created and/or retained.
- b. Increase in assessed value of homes as a result of rehabilitation projects.
- c. Increase in proportion of state and Federal funds allocated for meeting emergency and long-term needs of the low-income population.
- d. Increase in access to community service and resources by low-income people.
- e. Increase in available housing stock through new construction.
- f. Increase in the availability and affordability of essential services, e.g. transportation, medical care, childcare.
- g. Other outcome measure(s) specific to the work done by your agency.

Survey Question Measures:

- h. Number of households who believe the agency has helped improve the conditions in which they live.

Scale Measures:

- i. Number of communities, which demonstrated movement up one or more steps on a scale or matrix measuring community self-sufficiency, community health, or community vitality.
- j. Number of communities achieving stability in the _____ dimension of the Community Scaling Tool. (MA N/A)

**GOAL 3: COMMUNITY REVITALIZATION
LOW-INCOME PEOPLE OWN A STAKE IN THEIR COMMUNITY**

Direct Measures:

- a. Number of households owning or actively participating in the management of their housing.
- b. Amount of “community investment” brought into the community by the Network and targeted to low-income people.
- c. Increase in minority businesses owned.
- d. Increase in access to capital by minorities.
- e. Increased level of participation of low-income people in advocacy and intervention regarding funding levels, distribution policies, oversight and distribution procedures for programs and funding streams targeted for the low-income community.
- f. Other outcome(s) specific to the work done by the agency.

Survey Question Measures:

- g. Number of households participating or volunteering in one or more groups
- h. Number of households who say they feel they are part of the community.

Scale Measures:

- i. Number of communities that demonstrated movement up one or more steps on the scale or matrix measuring community self-sufficiency, community health, or community vitality.
- j. Number of communities achieving stability in the _____ dimension of the Community Scaling Tool. (N/A)

HUD Stakeholders Conference

The HUD stakeholders' conference was a major attempt to get feedback on performance indicators. It yielded a fairly comprehensive list of outputs, outcomes and impact indicators organized around major Housing Act outcomes. A shortcoming of the effort was that there was no attempt to validate whether data were available and reportable. Also, there are no priorities for or analysis of indicators. The list is valuable for its insights into how stakeholders think, but limited otherwise limited.

From February to May 2000, HUD hosted four forums in Atlanta, Chicago, Philadelphia and San Francisco attended by 50 local CDBG grantees and sub-grantees, HUD field staff and university researchers to discuss outcome-based measurement in the CDBG program. The events were designed to provide input into HUD's strategic plan and performance measures were produced (summarized below). The results are instructive because they reflect how entitlement communities and states viewed performance measurement during the pre-PART era.

TABLE 5

CATALOGUE OF PROSPECTIVE PERFORMANCE MEASURES BY MAJOR ACTIVITY
Employment and Employment Opportunities
Unemployment rate
Number successfully completing training
Poverty rate
Average hourly wage
Job training or placement opportunities
Number finding employment
Number finding employment with benefits; living wage
Number finding employment in targeted groups
Average commuting time to work
Percent migrating to find work
Percent high school diploma
Number Chapter 3 persons with jobs
Business Development
Number business startups
Number business licenses issued
Number start-up inquiries
Number big box retailers
Amount private investment leveraged
Commercial vacancy rates
Community Development
Number occupancy permits
Number bank applications
Mortgage default rates

CATALOGUE OF PROSPECTIVE PERFORMANCE MEASURES BY MAJOR ACTIVITY
Tax revenues
Bank deposits
Crime rates
Home ownership rates
Number of churches or social institutions
Number of homes rehabbed
SAT scores
Number building permits issued
Number rental rehab units
Number evictions
Physical Condition
Number houses flooded
Number curbs cut
Ft sidewalks poured
Ft sewer lines repaired
Miles streets paved
Number drainage projects completed
Number new community facilities build
Number of households using services
Percent residents receiving water or sewer services
Number water systems meeting Federal standards
Number gallons water lost in system
Percent brownfields/grayfields developed
Economic Capacity
Proportion investment from CDBG
Private sector funds leveraged
Public sector funds leveraged
Number residents in privately funded projects
Long-term vacancy rates
Average home/building sales prices
Average home improvement expenditure
Community Safety
Number traffic and personal accidents
Number code violations
Number of neighborhood watch groups
Number security devices
Per capita auto insurance costs
Number trash pickups
Number buildings condemned

CATALOGUE OF PROSPECTIVE PERFORMANCE MEASURES BY MAJOR ACTIVITY
Community Involvement/Pride
Number complaints
Resident satisfaction survey rates
Number infrastructure maintenance calls
Number residents participating in community activities
Self-Sufficiency and Social Services
Crime rates
Number homeless people
Reports child abuse & neglect
Number AFDC/food stamps applications
Number people stabilized in housing
Percentage below poverty level
Number low-/mod people served
Number in ESL classes
Number hospital visits
Number in health education programs
Number served by CDBG programs
Number of hours of safety for kids
Housing Quality
Number units rehabbed
Number newly constructed units
Home ownership rates
Number code violations
Number building permits issued
Positive Impacts of Housing
Number residents participating in block clubs
Average length of time housing on market
Average housing value
Number low-/mod people housed
Average length of stay in housing
Taxes to schools
School dropout rates, graduation rates, test scores
Proportion CDBG funds invested
Per capita income
Retention rate in housing
Changes in diversity

Fairfax County, Virginia

Fairfax County, Virginia represents a best practice of a community that takes performance seriously in the investment and management of CDBG funds. It has instituted a wide variety of processes that lead to effective investment.

Fairfax County, Virginia established a system for which grantees must have distinct goals and indicators to fulfill performance measurement requirements and thus receive funds—CDBG and other—for their programs and activities. Fairfax County approves these goals and indicators during the application process and offers performance measurement training to all grantees, demonstrating that this is an important tool for improving services, not just for fulfilling a reporting requirement. Data are reported through a Web-based system, which makes information more accessible and reports to local and federal simpler to generate.

Fairfax County assesses existing goals, objectives and indicators in order to shift from measuring outputs to outcomes. It utilizes a four-step process, specifically “examining agency mission, goals, cost center goals and objectives, and then developing indicators to measure performance. This process was intended to improve operational and resource planning, and resulted in improved goal statements, objectives and performance indicators.”²⁹

Fairfax County also has begun to compare its performance measures to external sources as another way to make its system more outcome oriented. Efforts included initiating the Regional Performance Measurement Consortium to compare measures with local governments in Virginia, Maryland, and the District of Columbia; benchmarking performance measures and practices against other jurisdictions; and joining the International City and County Management Association’s (ICMA) Center for Performance Measurement which allows benchmarking with more than 130 jurisdictions across the nation.

Charlotte, North Carolina: Quality of Life Index

Charlotte, North Carolina focuses on neighborhoods in its community development strategy, using quality of life indicators and a Balanced Scorecard methodology. Depending on the size of the investment and neighborhood, this approach may be able to link CDBG funding to impacts.

Charlotte, North Carolina instituted a neighborhood “quality of life” index that evaluates neighborhoods based on social, crime, economic and physical conditions. Conducted annually since 1993, the index focuses on neighborhood statistical areas throughout the entire city. Neighborhoods are classified into three categories: stable, threatened, and fragile. Charlotte’s FY 2004-2005 strategic operating plan describes its method of measuring outputs and outcomes:

²⁹ Ibid.

Neighborhood Development's Balanced Scorecard measures our progress toward meeting the City's corporate strategy. Because the nature of Neighborhood Development's work, it is difficult to measure outcomes on an annual basis. The Neighborhood Quality of Life Index measures much of our success where overall changes are tracked in the number of stable neighborhoods and the success of individual outcome variables such as housing quality, appearance standards and economic growth. These ultimate outcome measures are developed biannually.

Therefore, Neighborhood Development annually tracks output measures that contribute to the Neighborhood Quality of Life Index outcome measures. These outputs also impact the City Corporate Strategy related to neighborhood classifications, housing quality, neighborhood appearance and affordable housing goals. Beginning on the next page is Neighborhood Development's Balanced Scorecard and performance measures for the next two years.³⁰

State of Oregon: Managing for Results and Benchmarking

Oregon's initiatives are among the first performance measurement programs in the nation. Although well known, they largely impact indicators that have not been linked to specific investments. The initiatives nonetheless are important because they illustrate the continued commitment of one state to accountability.

As part of its annual performance plan, Oregon initiated "Managing for Results" to facilitate process improvement and results-based management. Under this initiative, a performance task force composed of legislators and partners developed a list of 27 performance measures which the state adopted in June 2000. Of them, 12 measures already were tracked by recipients and another twelve required limited work and resources. Since the list was developed, agency staff receive training on the performance measurement system, data quality improvement, and interpreting performance data. Employee orientation includes performance training.

Performance data review and action are important to Oregon's performance measurement system. The state's leadership team reviews data and discusses necessary changes or improvements every three months. In addition, the Economic and Community Development Commission reviews the performance report every six months. This effort measures Oregon's progress against goals sets forth in its strategic plan, entitled "Oregon Shines." The Oregon Progress Board, which consists of 12 members appointed by the governor, submits a "Benchmark of Progress" report to the state legislature biannually. The process is unique, and

³⁰ Neighborhood Development Key Businesses, *FY 2004-2005 Strategic Operating Plan*, July 2003.

the state promulgates measures and indicators tied to agency performance reporting systems and to the entire budget process.³¹

Oregon was the first state to articulate its goals in measurable terms.³² The process involves setting goals and objectives to meet them. The objectives then are measured against benchmarks. The state's political leaders and citizens determine the goals which are aligned to objectives that state agencies can meet. The reality of what the agencies can do, coupled with external factors, budgetary and other resource considerations, are included in the setting of the objectives. Benchmarks serve as the established objectives stated in quantifiable terms. This is a key component of the benchmarks: All objectives must be measured quantitatively in order to meet state goals, thus ensuring accountability and the ability to realistically assess performance. Oregon lists 90 goals annually that the state must meet and then develops indicators to measure success in meeting these goals. The Oregon benchmarks include seven in the area of community development:³³

TRAFFIC CONGESTION

No. Overall travel delay for urban Oregonians in 2001 more than doubled since 1991.

a. Portland metro. No. In 1991, Portland drivers experienced about 9 hours of delay total. In 2001, it was 23 hours.

b. Other areas. No. Outside of Portland, drivers averaged about 3 hours of delay in 1991. In 2001 it was 7 hours.

DRINKING WATER

Yes. 93% are served by drinking water systems that meet health standards, up from 49% in 1994.

COMMUTING

No. Since 1990, about 30% commute with others or use alternative transportation—no real improvement.

VEHICLE MILES TRAVELED

No. Metro drivers are driving more, despite efforts to increase use of alternative modes of transportation.

ROAD CONDITION

³¹ 2003 *Benchmarks Report*, Oregon Progress Board.

³² *Ibid.*

³³ 2003 Benchmark Performance Report 48 Assessment of progress derived from a computer-generated trend line (3 yrs min). Oregon Progress Board.

Yes, but. The percent of state and county roads in good condition is improving but long-term problems exist.

- a. State Roads. Yes, but. 81% of state miles were in good condition in 2001, due mainly to short-term surface repair.
- b. County Roads. Yes. An estimated 89% of county road miles are good overall; 79% east of the Cascades and 93% west.

HOME OWNERSHIP

Yes, but. Home ownership rate increased from 63.1% in 1990 to 66.6% in 2002 but Oregon ranks low among states.

AFFORDABLE HOUSING

No, but. Housing is affordable for more owners but fewer renters than in years past.

- a. Renters. No. 75% of low-income renters pay more than 30% of their income for housing, up from 70% in 1990.
- b. Owners. Unknown. Oregon survey data and U.S. Census data disagree on the trend for homeowner cost burden.

Oregon's benchmarks are unique because they are relatively few yet simple and clear. Also, agency behavior and program management are linked to meeting the 90 explicit and measurable goals.³⁴ Specific agency performance is tied to each benchmark, and ameliorative action must be taken for not meeting the goals put forth in the strategic plan. Evidence must be provided should exogenous factors (global economy, natural disaster, demographic change, etc.) be attributed to not meeting the goals. Similarly, determination will be made if improper planning or management, insufficient funding, or administrative or political factors played a role.

Richmond, Virginia

Richmond, Virginia is an example of a community attempting to tie performance and neighborhood investment together under CDBG and HOME. Key is the long-term (three-year) funding commitment to neighborhoods, which allowing the programs to establish baseline data.

Richmond, Virginia has taken an approach to allocating funds that corresponds with OMB's recommendations. "Neighborhoods in Bloom" (NiB) is a targeted neighborhood investment program that invests CDBG, HOME, and capital investment funds to revitalize six designated

³⁴ The goals and goal characteristics and criteria can be found at:
www.econ.state.or.us/opb/perfmeas/guidelines.html

areas in the city. Each NiB has its own improvement strategy with specific targets for success, as well as a partnership team of local and political stakeholders that regularly assesses progress and addresses problems within the neighborhood. Because Richmond commits to three years' worth of funding for each NiB, it can focus on improving results through baseline comparisons.

National Neighborhood Indicators Project

The National Neighborhood Indicators Project is a nationwide effort in performance measurement. Although the project gathers a great deal of data, its utility in aggregating to the national level is limited. It also fails to tie program investments directly to beneficiaries or impacts.

The National Neighborhood Indicators Project (NNIP) is an effort by the Urban Institute and 12 cities to assemble and apply current reliable information about neighborhood conditions and trends. Its goals are to better use information to build communities and shape public policy. Expected results are construction of a National Neighborhood Data System (NNDS) and the project's expansion to other cities, thereby enhancing NNDS.

NNIP seeks to construct indicators or gauges of neighborhood well being, not measures of CDBG performance or management. These indicators were developed in each community in collaboration with local practitioners, public decision makers, community residents, and other stakeholders. . As discussed in the section on measurement, abstract nouns can be used to describe a range of attributes and characteristics. These same terms frequently are referred to as "latent variables" in the social science literature. Basically, an idea such as "delinquency" is a latent variable, measured by multiple measures—crime rate, truancy, and vandalism. In effect, NNIP is geared toward the development and dissemination of a range of "multiple measures" which can serve as proxies for the latent variables "neighborhood health" or "community building." Teaching the use of data sources, public databases, research methods, community forums and other techniques are key to NNIP.

In NNIP's case, the challenges of teaching data analysis and interpretation to community stakeholders, coupled with appropriate action and follow-up, are significant.³⁵ Similarly, the requirements placed on data providers prove similarly onerous.

³⁵ See, www.urban.org/nnip/pdf/bailey2.pdf

**TABLE 6
NNIP INDICATORS**

<u>Census Data Indicators</u>	<u>Administration Data Indicators</u>	<u>Generic Data Indicators</u>
% Female-Head of Households w/Kids*	Welfare Usage Rate (C, P)	<i>HMDA-Bases</i>
% High School Dropouts 16-19 years.*	Food Stamp Usage Rate (O, P)	Mortgage Approval %**
% Population Age 0-9 yrs.*	Violent Crime Rate (B, C, O)	Median Loan Amount **
% Population Age 10-19 yrs.*	Property Crime Rate (B, C, O)	# Loan Applications**
Median Household Income*	% Parcels Non-Residential (B, C)	Home Improvement as % Orig. **
Med. Value Owner-Occ. Homes*	% Res. Parcels Single Family (B, C)	Home Purchase as % Orig. **
% No Vehicle Available*	% Parcels Tax Delinquent (C)	<i>Dun and Bradstreet-Based</i>
% Persons Below the Poverty Line*	% Commercial Parcels Vacant (C)	Total # of Businesses
% Population Black*	% Residential Parcels Vacant (C)	Total # of Jobs
% Population White*	% Birth Mothers w/<HS Diploma (C)	Total \$ Sales
% Population Hispanic*	% Birth Mothers w/No Pre Natal Care (C, O, P)	<i>Data Quick-Based</i>
% Population Other*	% Birth Mothers Not Married (C)	Median Home Sales Price**
% Unemployed, Labor Force aged 16+*	% Females Age 10-14 Giving Birth (C)	
% w/College Degree, age 25+*	% Females Age 15-19 Giving Birth (C, I, O)	
% w/No HS Diploma, age 25+*	% Births w/Low Weight (C, I, O, P)	
% Manage./Prof. /Tech. Occ.*	% Births to Black Mothers	
% Females age 15+ Married*	% Births to White Mothers	
%Persons Foreign-Born*	% Births to Asian Mothers	
% Persons Institutionalized*	% Births to Hispanic Mothers	
% Housing Units Built Since 1970*	% Births to Teen Mothers	
% Housing Units Built pre-1940*	% Births to Mothers 15-17 (P)	
% Housing Units Owner Occupied*		
% Housing Units Lacking Plumbing*		
% Aged 5+ In Same Unit 5+ Years*		
% Units in Single-Family Structures*		
% Housing Units Vacant*		

* 1990 ensus Data

** Two Year averages, 1993-94 or 1998-99 for generic indicators

Parentetical terms after administrative data indicators show cities for which indicator is available: B = Boston; C = Cleveland; I = Indianapolis; O = Oakland; P = Providence

National Performance Indicators³⁶

The National Performance Indicators, a national effort, is just getting off the ground. Its utility for local communities is limited; it reports national data as impact indicators that cannot be linked to programs. Therefore, it is not likely to be a model for CDBG.

According to U.S. Controller General David Walker, “To have a democracy that is performance-oriented and accountable, key national indicators are needed to assess the overall position and progress of a nation.” An increasing amount of dialogue and activity are occurring, throughout the United States and around the world, on key national, state, and local indicators and ways to develop them in a manner that is truly useful to a community or society. To advance this dialogue, GAO, in cooperation with the Academy and the National Academies of Science, hosted a February 2003 forum on Key National Performance Indicators. The forum’s objective was to discuss whether and how to develop a set of key national indicators for the United States. The event produced a nearly unanimous point of view that this was an important topic to pursue, with more than two-thirds of the participants willing to offer various forms of support to an ongoing effort. An informal coordinating committee was established to guide the next phase of the initiative. A report will be issued soon summarizing the results of the discussions. The National Academy of Public Administration is participating in this initiative.

CONCLUSION

These case studies illustrate the wide range of activities, with varying degrees of sophistication that many governments and organizations are taking with regard to performance management systems. Many of these systems are conducted independent of federal initiatives and, indeed, were developed and implemented prior to them. The management challenge is how to improve the federal performance measurement system without interfering with existing efforts or creating redundant parallel systems. This will not be easy.

³⁶ Key documents, indicators, methods, bibliographies, and links to other related websites is found at www.keyindicators.org. A summary report, *Forum on Key National Indicators: Assessing the Nation’s Position and Progress* is also available from GAO, May 2003.

CHAPTER FIVE

ISSUES IN CDBG PERFORMANCE MEASUREMENT SYSTEMS

FINDING

Entitlement communities and states are concerned that any new HUD CDBG performance measurement system:

- Not compete with existing state and local systems.
- Take into account the limited capacity of states and communities to gather and report data.
- Hold down gathering and reporting costs.
- Make sure all stakeholders, especially grantees, buy into any new performance measurement system.
- Not hold programs responsible for things over which they have no control.
- Not duplicate existing data gathering and reporting efforts.
- Resolve conflicting policy/program goals.
- Overcome a legion of technical challenges in defining and reporting indicator data.

The Panel finds that **all** of these issues are justified and recommends that stakeholders resolve them in the process of adopting any performance system for CDBG.

Many entitlement communities and states—in addition to researchers, practitioners and advocates—expressed concerns about developing and implementing a performance measurement system for the CDBG program.³⁷ An effective system must address these challenges. Among the major challenges around which stakeholder consensus should be reached include:

- **Competing performance measurement systems.** Entitlement communities and states have performance measurement systems—related or specific to community development—that serve their needs, but do not necessarily conform to HUD or OMB standards and expectations. Consequently, they may be required to create supplemental systems or gather and report data on different indicators to comply with federal requirements.
- **Limited capacity.** Although some entitlement communities and all states have administrative capacities to gather, process and report performance measurements, many others do not unless they divert funding from other uses or find additional funding or capacity. This especially is the case when third parties, sub-recipients, beneficiaries, non- and for-profit organizations are used to undertake projects.

³⁷ The Panel's findings are consistent with many of those found in HUD Community Development Stakeholder Forums, The Urban Institute & ICF Consulting, August 2002.

- **Cost.** Although some performance data may be desirable, much are prohibitively expensive to gather, especially where survey, focus group, or primary data gathering methodologies are used.
- **Stakeholder buy-in.** Some entitlement communities and states are wary of national initiatives that require significant effort to comply.³⁸ They have participated in prior initiatives that failed to yield results or produced poor results. They are cautious about wasting resources on what they believe might be an ineffective project.
- **Lack of control.** Many entitlement community and state officials believe that reported performance measures represent factors over which they have no control—trends in the national economy, for example—and do not want to be held accountable for them.³⁹
- **Duplicative reporting.** Most entitlement communities and states are dissatisfied with requirements which mandate that they produce data HUD already possesses. In consolidated plans, for example, HUD provides Census and related data to communities and states which, in turn, must report them back to HUD. Many officials do not see the purpose of redundant reporting.
- **Conflicting policy goals.** There are fundamental disagreements about CDBG policy goals. The primary ones are targeting and clarity of mission.
- **Technical challenges.** Technical issues surrounding CDBG performance measurement pose significant impediments in measurement, aggregation and reporting, so much so that many entitlement communities and states believe it may be impossible to measure performance effectively or efficiently as HUD and OMB expect. Among these issues are externalities that affect performance outside the system.

COMPETING PERFORMANCE MEASUREMENT SYSTEMS

Many entitlement communities and states have advanced performance measurement systems that serve state and local purposes. These systems may or may not comport with future HUD- or OMB-mandated performance measurement. Those that have excelled on their own have a legitimate complaint if they are asked to produce a new system for HUD or OMB that parallels an existing one. In fact, CPD issued Notice CPD-03-09 in September 2003, which instructed:

The purpose of this Notice is to strongly encourage each CPD formula grantee to develop and use a state and local performance measurement system.

³⁸ We could find not data showing how many grantees might be suspicious or precisely what their concerns might be. Nonetheless, a few were suspicious and this is duly reported here.

³⁹ See also *Effective Implementation of the Government Performance and Results Act*, National Academy of Public Administration, 1999. www.napawash.org.

Measuring performance at the state and local level is critical to the flexibility-driven formula programs. Since grantees are given the flexibility to make choices about how to use program funds, it is only logical that grantees be accountable, at the local level, for those choices.

The Panel recommends that entitlement communities and states be allowed to crosswalk their performance measurement documents into HUD's documents where appropriate, rather than double reporting. If the number of performance measures that entitlement communities and states are required to report is held to the absolute minimum, this need not constitute a burden on grantees.

DEFICIENCIES IN CAPACITY

Entitlement communities and states spend as much as one-fifth of their CDBG funding on administrative activities, translating into hundreds of millions of dollars in expenditures annually. Some estimates suggest that as much as \$100 million annually goes into preparation of the CDBG consolidated plan, an activity related to performance measurement. All of this would be in addition to whatever they spend on their individual performance accountability systems. Whether these amounts are too much or too little is for policymakers to decide, but this fact illustrates that there is likely a great deal of capacity, at least for large cities and states, to produce and report performance measurement data. Nonetheless, small cities and states have much less capacity. To compound the issue further, entitlement communities and states often directly or indirectly contract with non-profit, quasi-governmental and government organizations with capacity to deliver services, but not as much administrative capacity to measure performance, especially over the long-term.

COST

Some performance indicators may be too expensive to produce, not only for a single jurisdiction, but also nationwide. For example, survey research is an excellent methodology to gather data on how CDBG spending affects community beneficiaries. If entitlement communities and states are required to produce survey data for large numbers of neighborhoods and local units of government, it would be prohibitively expensive. Indeed, many already use surveys to determine community needs, further adding to the expense.

PAST EFFORTS

Some entitlement communities and states believe HUD has not implemented (or has implemented ineffectively, inadequately or differently) policies and procedures that it previously promoted. The IDIS management information system is an example raised by some state grantees. The Panel believes that a few entitlement communities and states are suspicious when HUD, itself or at OMB's direction, begins to impose additional reporting burdens. But, the Panel was unable to establish the extent to which all grantees are suspicious. We suspect that it is a

handful. Regardless, all stakeholders must work hard to attain consensus before a performance measurement system is imposed.

LACK OF CONTROL

Unemployment, mortgage rates, personal and business income, and even crime rates are a function of regional and national economic cycles. State and local officials have little or no control over these trends, even though they choose when, where and how to spend CDBG funding. National and regional business cycles affect local employment. Entitlement community and state officials are unlikely to support any performance accountability system in which they have no way to directly influence indicators, either through policy or spending.

The Panel agrees that there is no point in measuring local CDBG spending outcomes or impacts using regional or national data. **The Panel recommends that only measures that directly relate to CDBG spending be included in a performance measurement system.**

DUPLICATIVE REPORTING

HUD's CPD and Policy Development and Research (PDR) offices have enormous amounts of data reported from the Census Bureau and other federal sources. **The Panel recommends that CPD or PDR prepare reports to Congress and OMB that correlate CDBG spending with demographic and social indicator data in an effort to quantify program performance.** This contrasts with requiring entitlement communities and states to obtain data from HUD, only to report them back to the department. PART acknowledges that GPRA measures may not meet its standards. If so, grantees will be required to report separate measures under PART and GPRA.

CONFLICTING POLICY GOALS

Cities and states are concerned that performance measurement systems will neither account for nor resolve conflicting policy goals. Some examples: Investing CDBG funding in affordable housing to improve home ownership may lead to renters being displaced from targeted areas. Or, focusing minority home ownership in neighborhoods through CDBG contradicts HUD's housing voucher programs that "de-concentrate" low- to moderate-income minority families. Jurisdictions would be positively rated on one indicator yet negatively rated on the other, notwithstanding the fact that they attained their goals and objectives under CDBG. Therefore, **the Panel recommends that HUD examine its programs to identify internal inconsistencies that might confound performance measurement and resolve them before they are reported and used in management and policy.**

TECHNICAL DIFFICULTIES

Inventorying potential CDBG performance measurements validates the concerns of entitlement communities and states that there are no measures that are unproblematic, unbiased, valid and reliable. Regardless of which indicators are chosen to be included in a CDBG performance measurement system, they will be faulty, as discussed in the preceding and following chapters of this report. Yet this does not imply that performance measurement is inappropriate or not worth doing. Rather, it suggests that a sophisticated approach is needed.

The Panel recommends that whenever performance measures are reported, their limitations must be clearly identified and placed in proper context so that program managers and policymakers understand what they are considering when they view CDBG indicator data.

CHAPTER SIX ISSUES IN MEASURING CDBG OUTCOMES AND IMPACT

FINDING AND RECOMMENDATION

Given difficulties in establishing cause and effect relationships between CDBG activities and expected impacts, a CDBG performance measurement system should not employ activity impact indicators. If used at all, these indicators should be part of scientific program evaluations.

The Panel recommends that a CDBG performance measurement system include primarily outcome indicators and output indicators that might be surrogates for outcome indicators.

Researchers and analysts acknowledge that the CDBG program possess one of the most challenging obstacles in constructing a performance measurement system that satisfies President's Management Agenda requirements, especially PRT. In this chapter, the Panel examines moving beyond output to outcome measurement (feasible) and then into impact measurement (much more problematic). Using crime rates as a case to tie these issues together, the Panel has identified several issues that should be resolved:

UNLIKELYHOOD OF ESTABLISHING IMPACTS

After reviewing methodological issues associated with CDBG and community development performance measurement, the Panel concludes that the potential to gather impact measurement data that truly reflect program performance is remote. The issue is not gathering and reporting impact indicators, which is relatively easy and widely practiced. Linking impact indicators directly to programs, projects and activities is very difficult and, in many cases, impractical. It is unlikely that CDBG program performance measurement reported by entitlement communities and states will satisfy rigorous, scientific criteria needed to conclude that the program had an impact. HUD should fund and/or conduct impact studies, the reasons for which are summarized below. As such, **the Panel recommends that performance measurement focus on gathering and reporting outcome data, as well as output data that can be interpreted as outcome data.**

CAUSAL LINKS

The current state of the art in most community development impact studies is to correlate every possible social indicator against CDBG expenditures for a geographical area. Past study results are methodologically unsound, but equally important, fail to demonstrate any but a few

statistically significant correlations. Although advances are being made in the field, methodologically, much research on CDBG requires improvement.

BEFORE OR AFTER, WITH OR WITHOUT

Impact assessments determine whether effects would have occurred independent of some intervention—in this case, CDBG investment. In order to demonstrate impact, baseline data would have to be gathered prior to CDBG investments being made, and then compared with follow-up data afterward. Given that CDBG is three decades old, it is difficult to establish baseline data that would not be affected by past expenditures. In addition to before-and-after comparisons, CDBG investments would need to be compared against similar communities where no investments were made. Few locations with similar economies and demographics have not had CDBG investments.

COMMINGLING OF FUNDING

Most local community or neighborhood investments are an amalgam of funding from federal, state and local government; non-profit and quasi-governmental organizations; and the private sector. Professional researchers and analysts have yet to sort out funding impacts, except in rare cases. Disaggregating multiple funding sources and linking them to impacts seem impossible on a wide scale. If this could be done, adding them to a performance measurement system would be daunting. The City of Seattle reports having spent years trying to assign funding from all sources and link it to performance indicators.

MAGNITUDE OF EXPENDITURES

Although CDBG investments are important in communities and states, they represent a small share of overall investment—public and private. As such their impacts can be easily dwarfed in any economy. Finding impacts—statistically at least in small areas with limited cases—is like searching for a needle in a haystack. For example: the payroll of a small manufacturing firm in a poor neighborhood effectively dwarfs investments made by CDBG.

“BUT FOR” INVESTMENTS

Some argue that it is possible to establish impact by asking whether a given impact would have occurred without a CDBG investment—the “but for” clause. Because entitlement communities and states have multiple funding sources for CDBG-like activities, an activity may be directly substitutable with a variety of other funding. Some critics find it difficult to see that any CDBG investment would satisfy “but for” criteria in establishing program impact. Yet CDBG investment is distinctive because it targets low- and moderate- income people, which is not necessarily the case with other federal programs, and certainly not the case with state and local spending. Even so, there is considerable overlap that likely cannot be unpacked for reporting

purposes. PART allows programs to use “leverage” indicators as a way to satisfy the “but for” issue. In CDBG’s case, private dollars leveraged would suffice.

SPORADIC INVESTMENTS

Although they vary greatly, most CDBG investments, as intended by Congress, are sporadic and widely dispersed frustrating efforts to measure impacts, an activity that depends on consistency over time. In many neighborhoods, investment can be miniscule. Furthermore, investments may be made one year but not the next, or even one time only; local investment patterns are virtually limitless. Some might argue that funding should be better targeted, not sporadic and dispersed, leaving an impression that funding is being dispersed for political reasons. This perception does not follow. Some city councils distribute CDBG by district or ward to satisfy their constituencies, but investments often are made one year to comply with a federal requirement which need not be funded in out years once the requirement is met. For example, states may spend heavily on their water infrastructure to meet revised EPA standards; once these are met, other community development needs can be addressed.

PEOPLE AND PLACE, INDIVIDUAL AND COMMUNITY

Although researchers and practitioners can measure impacts on individuals, they have not resolved how to definitively relate them to conceptual issues. The CDBG program typically invests in building or repairing structures or infrastructures. Its impact on a particular person is difficult to establish. So, how does a group or community benefit from such investments? CDBG may “rehab” a house of someone with limited means in order to bring it into compliance. The results is that the house is safe and decent, but what this mean to the community in which the person resides and the house sits? Is community defined by political boundaries, as with a census tract or city ward, or is defined along fuzzy boundaries, for example “uptown” or “downtown?” Is the community its people and, if so, do they comprise residents, commuters and visitors? Or, is the community more than people; does it involve some level of interaction? In short, how do we measure community?

From a performance measurement perspective, it is highly problematic to create geographically-based indicators at the local level that can be meaningfully aggregated to the national level while still measuring that geography. For example, it is unclear how HUD would aggregate a community that reports serving 100 people in a community center with 1,000 other communities that serve people in neighborhoods, census tracts, census blocks, wards, districts and the like. At best, HUD only could state that several thousand people were served nationally in the average census tract—a somewhat meaningless measure in the Panel’s view. **The Panel recommends that measures focus on people without trying to account for geographical boundaries whenever possible unless there is some compelling management or policy-related reason to focus on place.**

A good case for place-based reporting is when states award competitive grants to small, local governments (in this case, the number of places receiving awards.) Another good case is that

grantees are asked for place based census or survey-based information so that CPD can verify that funding was spent in places with high concentrations of low- to moderate-income people. Because this information is needed for compliance it does no harm to leave it in the performance measurement system. In addition, researchers can use these places to conduct place-based impact studies.⁴⁰

CRIME RATE AS AN IMPACT INDICATOR: A CASE IN POINT

Analysts and practitioners frequently propose “change in crime rate” as an indicator of CDBG’s positive impact in people and places. The crime reduction program under former New York City Mayor Rudolph Giuliani is illustrative. Upon taking office, Giuliani made crime reduction a top priority, replacing top police leadership and developing and adopting comprehensive management information systems to detect crime trends quickly and allocate resources to address them. His administration instituted one of the toughest zero tolerance programs in the nation, placed more police officers on the street, and lobbied courts to hand out tougher sentences. Crime fell dramatically across the city.

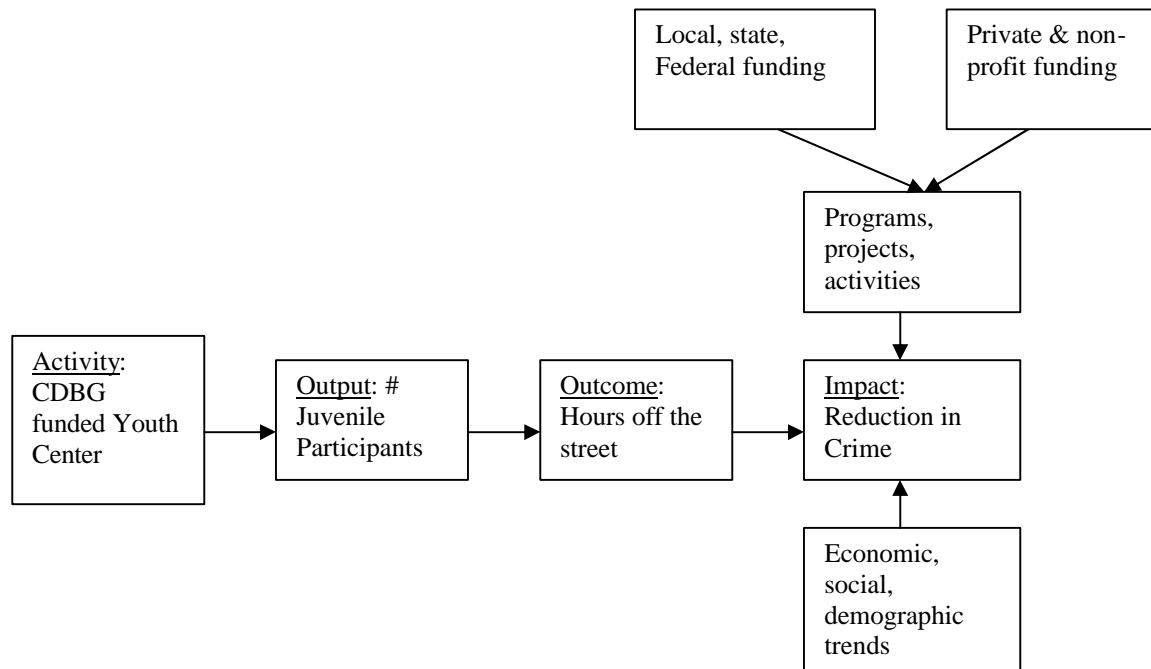
New York City receives \$218 million under CDBG, a relatively small amount of which is spent directly on crime reduction. A larger amount is allocated toward activities that might indirectly reduce crime, such as youth centers, training programs, and drug rehabilitation. Other federal, state, local and private sector initiatives fund activities that directly or indirectly relate to crime reduction. For example, the 1990s’ unprecedented economic growth created jobs and reduced unemployment. Poverty rates fell, personal income rose, and the number of juveniles in the population declined.

The question: How much of a contribution to decline in crime rate, if any, would a CDBG-funded youth center in a poor neighborhood make? Figure 3 scopes out this hypothetical. Suppose further that the youth center was funded with other federal, state and local public monies, as well as private monies, and was part of a program that placed more police on the streets, instituted a neighborhood watch program and attracted new employers to the area. When New York City-based CDBG program directors report that crime rates fell, it seems unlikely that the result could be linked to the youth center. For a causal linkage to be made, policy analysts would have to address the issues enumerated above: “but for,” “before-after, with-without,” commingling of funds, small magnitude of funds, and exogenous effects including economy, socio-economics and demographics, issues of place, and minimal effects. The Panel does not believe that entitlement communities or states have the resources necessary to carry out evaluation studies to assess impact. Even if they did, the studies would be more costly than the value.

The Panel recommends that outcome indicators be used as an alternative to impact studies.

⁴⁰ In fact, a sister project to this one is being conducted by the Urban Institute to explore the feasibility of placed-based impacts.

**FIGURE 3
IMPACT OF A YOUTH CENTER ON CRIME RATES**



CONCLUSION

It appears that using the language of cause and effect—that is, impacts as defined here—is misleading at best. It raises more questions than it answers and inserts a great deal of ambiguity and complexity into performance measurement, something antithetical to the enterprise. It is unlikely that any cause and effect analysis could be designed and executed. **The Panel recommends that performance measurement focus on outcomes.**

Were a serious rigorous performance measurement system to be pursued, entitlement communities and states would not have the expertise to do the required work. The Panel concludes that HUD or some outside organization⁴¹ with expertise and resources should conduct the analysis nationwide and report on it if such a system were to be pursued.

⁴¹ HUD’s Office of Policy Development and Research might wish to assume responsibility for conducting impact studies on behalf of CPD.

CHAPTER SEVEN

ISSUES IN CONSTRUCTING PERFORMANCE INDICATORS

RECOMMENDATION

The Panel recommends that CDBG performance indicators comply with the following criteria:

- (1) Report on cases, not places.
- (2) Do not report rates and percentages.
- (3) Report baseline data only when an activity represents continuous, high priority investment.
- (4) Report data annually.
- (5) Report data that can be aggregated meaningfully at the national level.
- (6) Use indicators that are consistent with other CPD programs.
- (7) Eliminate double counting across other CPD block grants.
- (8) Enhance reliability and validity.
- (9) Avoid politically-charged indicators.
- (10) Use multiple measures to assess outcomes.

Discussions with practitioners, researchers and advocates, coupled with a careful review of performance measurement literature, yielded several challenges that the CDBG program presents in the construction of a set of indicators to satisfy HUD, OMB, GPRA and PART, as well as local and state management needs. These challenges, described in this chapter, must be overcome or minimized when undertaking this critical step of developing indicators.

CASES

All performance measurement systems must enumerate cases—beneficiaries, non-beneficiaries, clients, patients, populations, residents, homeowners, and renters are just a few. They also must enumerate cases that are very complex or fuzzy—communities, households, and families. Cases have major implications for measurement. In CDBG, for example, consider entitlement and non-entitlement communities served by state programs. In any given year, CDBG may serve 2,000 communities ranging in population size from 5 million to 100 individuals. CDBG reports mostly on beneficiaries. The program should maintain this convention when possible.

RATES, RATIOS AND PERCENTAGES

Many performance indicators use rates, ratios or percentages to tie a baseline to an outcome. For example, a measure of unmet need is to divide the number of people receiving a benefit by the number of low- to moderate-income people eligible, yielding a proportion of those served or not

served. Reporting data for this indicator, it is necessary to report the percentage along with the baseline or beneficiary if these are to be aggregated at the national level. The analyst would know little or be able to extrapolate if the national performance measurement system reported only the percentage of people helped, but not the actual number that served as the basis. Other data used to derive that indicator need to be reported, as well, greatly expanding the amount of information required. Averaging rates, ratios and percentages also presents a challenge. A small community might report a ratio of .1 (1/10) as would a large one (10,000/100,000). Both ratios are equal, but the underlying calculations have much different implications. Yet this distinction can get lost when dissimilar things are lumped together.

BASELINES AND BENCHMARKS

Benchmarks are defined as indicators that represent a standard or performance level derived from another entity undertaking a similar task. For example, analysts might compare the health status of a CDBG entitlement community against that for the nation, or for communities of similar size or composition. The issue is what the benchmark should be. Does the community reporting data decide? Or, does HUD or OMB? Very few grantees actually use this measurement convention in reporting.

Baselines are defined as indicators that represent past performance levels, such as the performance of a CDBG activity in 2004 compared with the prior year. The issue is that CDBG programs do not invest in the same activities year after year. One year, may invest in affordable housing, and the next in infrastructure. That being the case, it may appear that CDBG was highly successful in some years but not in others. The performance measurement system would be too complex to annotate each measure with the CDBG investment strategy in effect for a given year. One way to manage this variance would be to report *moving averages*. Rather than report annual indicators separately by year, analysts could average three years together and, in subsequent years, drop the earliest year and add the latest year. This way, program effects would be smoothed, with spikes from changing investment strategies removed.

TIME PARAMETERS

A significant issue is determining the time that should elapse prior to reporting outcomes. How many months or years should pass from the time an entrepreneur is trained in a CDBG program to the time she is monitored for job creation? If the entrepreneur creates no jobs the first year, the program may appear to be a failure. The longer analysts must wait to see whether jobs were created, the more likely the data will be unavailable or problematic. A CDBG entrepreneurship training program offered as a one shot effort would unlikely have the capacity to track entrepreneurs over several years. Entrepreneurs typically gain and lose members of their workforce at startup. How can these gains and losses be meaningfully reported?

With CDBG investment, some activities are completed in days and do not have longer term implications, while some transcend fiscal or calendar years in which the same activity may occur

in different ways over time (e.g., a microfinance program may extend for one or five years). **The Panel recommends that results only be reported annually.**

AGGREGATION

It is necessary that indicator data for a national performance measurement system, be aggregated from entitlement communities and states to a national level. Some observers would like to mandate or encourage entitlement communities and states to target CDBG investments in small geographical areas to maximize program outcomes. For the purpose of this report, such a policy prescription can be separated from the issue of outcome measurement. It may be too complicated or even meaningless to report indicators tied to geography. For example, CDBG might improve home ownership opportunities for low- to moderate-income persons by investing in distressed neighborhoods. Grantees would report the number of homeowners produced under CDBG, a statistic that can be aggregated to the national level. If the concept of distressed neighborhood is graphed onto the measure, grantees would first define a distressed neighborhood, and then how home ownership improved under CDBG. It seems likely that there will be as many measures as there are grantees; distressed communities in rural North Dakota, inner city New York, and downtown Anchorage are different and how CDBG improved them will be, too. It is difficult to see how this would be measured then aggregated to the national level. Even if grantees were to report the number or percentage of distressed neighborhoods improved, such a statistic would be meaningless to the extent that the cases added are not comparable.

COMPATIBILITY WITH OTHER HUD PROGRAMS

In addition to CDBG, CPD manages three other block grant programs—HOME, ESG and HOPWA—and several competitive programs—Economic Development Initiative, Brownfields, Youthbuild and Rural Housing and Economic Development. These programs invest in some of the same activities as CDBG, and sometimes they both leverage each other or match funds. Often, the programs use the same indicators to measure outcomes for different activities. A performance measurement system should seek commonality across programs so that indicator data can be aggregated within and across programs to determine how CPD funding contributed to national goals and objectives.

DOUBLE COUNTING

Many projects have multiple purposes under CDBG. One investment might address safe housing, while another would address decent housing. Both activities might be made in the same housing unit. Is the number of safe and decent houses rehabilitated one or two? Clearly, double counting would be inappropriate in performance based management systems. This is no longer a problem in CDBG as was the case in years past. HUD's Office of Community Development administers three other block grants—Emergency Services Grant, Housing Opportunities for Persons with HIV/AIDS, and HOME Investment Partnership Program. All four block grants

sometimes benefit the same persons potentially leading to double counting.⁴² Double counting across CPD should be addressed.

RELIABILITY AND VALIDITY

Reliability asks whether an indicator would yield the same result when it is measured two or more times under the same conditions—in other words, consistency. Weather reporters often base their forecasts on “known” factors that often turn out to be incorrect. Pollsters attempting to predict electoral outcomes may get different responses to the same questions asked in a short time.

Validity asks whether an indicator measures what it is supposed to measure, in this case CDBG outcomes. For example, is the unemployment rate a valid measure of joblessness in a poor community?⁴³ As an outcome, many consider it important to reduce unemployment using CDBG investments. The Panel disagrees. Unemployment rates are calculated from unemployment compensation claims and population surveys for which a respondent must have been actively sought work within the most recent two week period to be considered unemployed. Those not looking for work for whatever reason are not considered unemployed for statistical purposes. In poor neighborhoods, where legions of people may not be looking for work, the labor force participation rate might be a better measure of unemployment than Bureau of Labor Statistics (BLS) measures.

POLITICAL CONCERNS

All outcomes can be measured in some way, but some may be “off limits” for political or ideological reasons. For example, some elected officials promote CDBG investments because they increase a community’s tax base; investments increase housing values which in turn increase property tax assessments. Tax increases are a byproduct of improved property values, seemingly a good outcome. Yet other elected officials may object to the notion of using federal tax dollars—specifically, CDBG funding—to increase the local tax take, seemingly a bad outcome. This also might be a factor when localities use CDBG to attract other federal funding as a form of leveraging.

TRIANGULATION

Because indicators have associated methodological problems, it is desirable to use multiple sources to measure the same activity outcomes, known as multiple measures. For example, researchers could use employment and administrative survey data to determine whether they find the same level of performance. This is done at the national level when economists compare the

⁴² Our project does not look at ESG, HOPWA or HOME, so we are unable to suggest how much of a problem double counting might be.

⁴³ Terry F. Buss, “Local Unemployment Rates and Their Implications for Planning,” Journal of Economic and Social Measurement, 14 (1986), 1-18.

Survey of Employers and the Household Survey to determine how many new jobs have been created. Having multiple indicators pointing to the same impact bolsters the analysts' confidence that certain activities very likely produced outcomes. Of course, triangulation is expensive, but might be worth the cost for some activities.

There are certain characteristics of the CDBG program that inhibit effective design and implementation of an outcome based performance measurement system. Since CDBG is a block grant, recipients can delegate funds to sub-recipients within a broad range of program goals including housing, community, and economic development. This results in varied interpretations of goals, measures that indicate goal attainment, and definitions of outcomes versus outputs. Across communities, the use of CDBG funds in tandem with other Federal, State, and locally appropriated dollars varies considerably; making an assessment of whether funds were well spent difficult.

Difficulties in constructing performance measures stem from interrelated issues at the local, national, and program definition levels. Program flexibility combined with the range of activities that CDBG funds can be used to generate a series of issues that must be addressed in construction of useful performance measures. Table 7 summarizes many of the key issues and challenges attendant to CDBG performance measurement.

**TABLE 7
ISSUES CONCERNING CDBG PERFORMANCE MEASUREMENT**

ISSUE	EXPLANATION
Staffing/Financial Capacity of Local Jurisdictions	Not all grantees, but especially sub-grantees, have sufficient staffing or financial capacity to gather and report sufficient performance data. Additionally, the set up and administration costs associated with a performance measurement system may not be deemed worthwhile at the expense of the project or activity dollars. Sub recipients will have most difficulty.
Episodic Funding of Grantees	Sub recipients may not receive funding every cycle and makes project tracking difficult after the termination of funding and project closing. What incentive do businesses or recipients have to provide data after the grant dollars expire?
Portfolio/Shotgun Investments & Priorities	Some CDBG investments represent a shotgun approach, rather than a carefully thought out strategy in a portfolio having priorities. It is very common that funds are distributed without specific targeting of neighborhoods and therefore outcome measurement is difficult.

ISSUE	EXPLANATION
Validity/Reliability of Data	First, the current IDIS system has poor data validation capabilities. Second, it is difficult to tell how and if jurisdictions validate the reliability of data gathered from recipients. It is difficult or impossible to verify at the local level given funding and access constraints. Third, existing performance measures are often invalid and they do not measure what they appear to measure. They often reveal different results when measured more than once.
Leveraged Funds	Since CDBG funds are used to leverage other funds, it is difficult to isolate CDBG's impact.
Services Delivered By Third Parties	Problem compelling small or poor non-profits to gather performance data. They often have little incentive to gather data once the grant award expires. Utilize Fairfax training as an example and putting it into perspective that cities/states can approach non-profit performance data collection as an opportunity for improvement and future funding increases.
Before/After, With/Without	For an accurate picture of the effects of CDBG money, we would need indicators that can be gathered before and after expenditure, and these indicators need to be compared with comparable places having similar expenditures and those without, to assess outcomes. However, the commingling of funds and sporadic investments defy precise measurement standards.
Substitution	CDBG funds may displace private investments that would have been made in the absence of CDBG.
Range of Activities	Range of fundable activities allowed by HUD makes measuring the effects of the program difficult since cities and states fund various activities based on their own local needs and goals.
Geography	If programs are spread across a large area, jurisdictions have problems seeing results
Existing Performance Reporting Systems	CDBG reporting requirements may complement, duplicate or supplement the existing budget or planning process engaged in by cities and states.
Federal Law/Regulations	Many cities and states will comply with the minimum reporting standards required by law
Time Constraints in Measurement	How much time can/should pass before impacts should be measured
Performance Trends	Since jurisdictions may define success differently based on their own goals/needs, it is difficult to define nationally what counts as success in measuring outcomes over time. Options include measuring by increases only, decreases only, or rates of increase/decrease.

ISSUE	EXPLANATION
Individual Versus Community Benefits	CDBG benefits individuals specifically and communities generally. Individual benefits are easier to measure than community benefits and the government is often looking for community benefits.
Neighborhoods	We need to discern if it is desirable to measure some outcomes at the neighborhood level, even though we do not have a standard definition of neighborhood or community.
Political Issues	Although some may view an outcome as positive, others may disagree. For example, increased tax collection may be a positive outcome for elected officials but be viewed as a negative outcome by businesses/individuals.
Aggregation of Performance Measures	Communities often take full advantage of the CDBG program flexibility. This produces considerable variability in year-to-year spending patterns, thus performance targets are only of episodic relevance and making aggregated targets at the city and national levels, difficult to set and update.

CHAPTER EIGHT

POSSIBLE PERFORMANCE INDICATORS

After reviewing literature and meeting with stakeholders and thought leaders, the Panel identified numerous performance indicators for the CDBG program that appear useful and meet OMB and HUD requirements. The Panel does not endorse any specific measure, but it encourages HUD to exercise due diligence and consider the usefulness of each measure suggested.

In this chapter, the Panel reports CDBG performance indicators that serve the following purposes:

- Contribute to GPRA, PART and HUD’s strategic plan requirements.
- Address the issue of “viable communities.”
- Capture CDBG accomplishments under the Housing and Community Development Act of 1974.
- Measure productivity and efficiency.
- Measure key outcomes.
- Address several technical issues.

As observed earlier in the report, the Panel has nominated indicators that represent common practices in the field and meet most or all of the following criteria:

- Data are easily gathered, and in many cases already gathered, if not reported.
- Data are typically gathered by programs and do not pose much additional cost.
- Data are based largely on outputs that can be interpreted as outcomes (impact indicators have not been proposed).
- Data are easily aggregated from state and local to national levels.
- Data minimize confounding factors in measurement.
- Data are easy to understand and interpret, and easy to report.
- Data can be merged with other CPD block grant data—HOME, HOPWA, and ESG—in some cases yielding HUD-wide data.

INDICATORS SATISFYING GPRA AND PART

CPD must contribute more to HUD’s strategic planning document. The department periodically changes its strategic goals—during and across administrations—under GPRA. The Panel has taken the most recent set of HUD strategic planning goals (for FY 2003-FY 2008) pertinent to CDBG and proposed a set of performance indicators that it believes satisfies GPRA reporting requirements (see Table 8). Performance measures are arrayed across three goals—increase home ownership, promote affordable housing, and strengthen communities—and each goal has several objectives. Entitlement communities and states undertaking any of these activities should be required to gather data and report them for each indicator listed.

**TABLE 8
HUD STRATEGIC GOALS AND INDICATORS**

Mission: <i>Increase home ownership, support community development, and increase access to affordable housing free from discrimination.</i>		
INCREASE HOME OWNERSHIP	PROMOTE AFFORDABLE HOUSING	STRENGTHEN COMMUNITIES
Expand national home ownership. <u># new homeowners</u>	Expand access to affordable rental housing. <u># years of affordability</u> <u># units added</u>	Provide capital and resources to improve economic conditions in distressed communities <u># HUD-assisted startups</u> <u># jobs created</u> <u># jobs retained</u>
Increase minority home ownership. <u># minority new homeowners</u>	Improve physical quality and management accountability of public and assisted housing. <u># housing units rehabbed</u>	Help organizations access resources they need to make their communities more livable. <u># business inquiries for assistance</u> <u>private \$ leveraged/CDBG dollar</u>
Make home buying process less complicated and less expensive. <u># organizations assisted</u>	Increase housing opportunities for elderly and disabled. <u># elderly assisted: rental, owner</u> <u># disabled assisted: rental, owner</u>	End chronic homelessness and move homeless families and individuals to permanent housing. <u># in transitional or permanent housing</u>
Fight practices that permit predatory lending. <u># organizations assisted</u>	Help HUD-assisted renters make progress toward self-sufficiency <u># no longer needing assistance</u>	Mitigate housing conditions that threaten health. <u># units returned to code</u>
Help HUD-assisted renters become homeowners. <u># HUD-assisted renters becoming homeowners</u>		
Keep existing homeowners from losing their homes. <u># owner occupied rehab assisted</u> <u># assisted</u>		

With few exceptions, consolidated plan regulations already require communities to report data for these output measures—frequencies—that can be interpreted as outcomes. Regulations also require communities to report “estimated need” and “unmet need gaps.” CPD should report unmet need gap data in addition to frequencies included in the HUD strategic planning process. In so doing, CPD would establish both its contribution to the national agenda and how much more needs to be accomplished. Reporting these data annually would establish progress made toward CDBG goals. CPD should take the community-reported needs and convert them into long-term targets to satisfy the PART assessment.

OTHER INDICATORS

In addition to contributing to HUD’s strategic plan, CDBG should publicize its accomplishments, and at the same time provide data to help managers guide state and local programs.

The Panel offers a template with proposed indicators, many of which are reported as part of the consolidated planning process. It draws heavily on the work of COSCDA in laying out the framework depicted below in Table 9 which classifies indicators into three broad purposes: suitable living environment, decent affordable housing, and economic opportunity. Indicators are further classified by five outcomes: access/availability, affordability, sustainability/livability, health, safety and quality, and economic opportunity.

**TABLE 9
POTENTIAL CDBG OUTCOME MEASURES**

Outcome					
ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, Safety, Quality	Economic Opportunity
Suitable Living Environment					
Community facilities	average served/month/facility				
Health centers	average additional patients seen/month/facility				
Water, sewer, solid waste	# households hooked up		# gallons lost in system		# businesses assisted
Public safety				# housing code violations	
Roads, sidewalks, curbs	# miles roads; # yards concrete			# traffic volume; # traffic accidents;	
Transportation					

Outcome					
ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, Safety, Quality	Economic Opportunity
Utilities	# households served/utility				# businesses assisted
Flood, drainage				# acres improved, restored; # service calls reduced	
Environmental Remediation				# acres remediated	
Downtown revitalization					# new businesses; # retained businesses; \$ increase business tax; \$ increase property tax; # new jobs created; # hours in operation
Neighborhood revitalization	# new housing units produced; # new rental units created;	# years of affordability; #increase in property value		# housing units restored to code;	

ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, Safety, Quality	Economic Opportunity
Decent Affordable Housing					
Home ownership	# new homeowners; # new minority homeowners; # disabled; #elderly; # HUD rental assisted becoming homeowners	# years of affordability; \$ median home loan; # renters becoming homeowners	\$ increase in property value; \$ increase in equity; # mortgage defaults		# new mortgages applied for
Rental rehab	# units rehabbed; average days vacant	# years of affordability		# returned to code	
Owner occupied Rehab	# assisted	# years of affordability	# mortgage defaults	# returned to code	
Rental assistance	# assisted; # disabled; # elderly;	# years of affordability	# off rental assistance	# returned to code	
Housing infrastructure	# households assisted				

ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, Safety, Quality	Economic Opportunity
Lead-based paint	# housing units tested; ratio of lead found v. total units			# housing units lead free	
Preservation			# housing unit preserved; # structures preserved		
Homelessness	# assisted monthly average—shelter, meals	# in transitional or permanent housing; Average months homeless		# first time homeless; # repeat homeless	# employed; # permanent address
Disabilities	# assisted			# first time assisted; # repeat assisted; # successfully completing; ratio successful completion v. total case load	
Counseling, supportive services	# assisted			# first time assisted; # repeat assisted; # successfully completing; ratio successful completion v. total case load	
Rental units	# units added; ratio number units added v. total number of units available				
ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, safety, Quality	Economic Opportunity
Economic Opportunity					
Direct assistance businesses	Average increase hours operation; # new businesses attracted; # business inquiries for assistance; # businesses		# businesses receiving assistance failed; ratio failures v. total assisted; ratio number assistance solved v.	\$ change in insurance premium	# businesses assisted; # jobs created at startup; # jobs retained; #increased business taxes

ACTIVITY	Access/ Availability	Affordability	Sustainability/ Livability	Health, Safety, Quality	Economic Opportunity
	assistance		total assisted		paid; \$ increase property value
Microfinance					# businesses assisted; # jobs created at startup; # jobs retained; #increased business taxes paid; \$ increase property value
Infrastructure					
Community facilities	# participants/facility/m o				
Flood control, remediation, demolition	ratio acres controlled, remediated v. total in need			# number of service calls made; # acres usable for development	
TA & training	# of participants			# successfully completing training; ratio successful v. to participants: # certified	
Job training	# of participants			# successfully completing training; ratio successful v. to participants; # certified	# participants obtaining job; # participants holding job for at least one year; # participants in jobs with health insurance

CPD should provide data pertaining to CDBG’s productivity and efficiency. PART requires at least one indicator of efficiency. In addition, leveraging indicators satisfy “but for” criteria in PART. The Panel proposes that CPD require grantees to report private and public dollars

leveraged per CDBG dollar invested to satisfy the leveraging requirement. Because jobs and home ownership seem to be very high priority goals, the Panel recommends that CPD require grantees to report the number of CDBG dollars necessary to create or retain a job and create a homeowner. It already reports on timeliness of expenditures and targeting to low- to moderate-income people. For activities that yield revenues—business or wage taxes—from a CDBG investment, CPD might suggest that grantees report return on investment (revenue obtained/CDBG investment).

TABLE 10
SAMPLE PRODUCTIVITY AND EFFICIENCY MEASURES⁴⁴

Leveraging	
Private dollars leveraged/CDBG dollar invested	
Other public dollars leveraged/CDBG dollar invested	
Efficiency & Productivity	
CDBG dollars/new job created	
CDBG dollars/job retained	
CDBG dollars/new homeowner created	
Number water connections/\$100,000 CDBG	
Revenue/CDBG investment: Return on Investment	
Compliance	
Timeliness	
% CDBG funds reaching low- to moderate-income people	

Annual accomplishment and performance indicator data are misleading, as observed above. **The Panel recommends that CPD report annual results data.**

⁴⁴ More detail on productivity and efficiency measures is found in Volume 2 of this report.

CHAPTER NINE PRACTICAL CONCERNS IN IMPLEMENTING A PERFORMANCE MEASUREMENT SYSTEM

FINDING AND RECOMMENDATION

Stakeholders should form a working group to build consensus around the design and implementation of a CDBG performance measurement system. HUD might consider offering incentives to grantees to encourage innovation and compliance. The relationship between reporting under IDIS and the consolidated plan must be revisited and alternatives explored. The complexity of the performance measurement system may necessitate phasing it in over time, but this is a higher risk strategy.

Reengineering a complex performance measurement system is a daunting task. Design work is especially complicated, illustrated by the work necessary to produce a handful of performance measures in this report. Even more complicated is system implementation.

The CDBG program is such that HUD, OMB, community development associations, entitlement communities and states ought to work in partnership to develop and implement a performance management system. **The Panel recommends that HUD negotiate a consensus agreement with stakeholders on what will be measured and reported, and how it will be used.** Each stakeholder group has both individual interests and common ones. Each controls only a portion of the program; entitlement communities and states undertake activities often with matching or leveraged funds while HUD promulgates regulations, monitors compliance and allocates funding. OMB represents the interests of the administration, but not necessarily HUD management or Congress.

Entitlement communities and states respond well to HUD incentives to participate in the furtherance of national goals and objectives. CPD may consider stimulating participation in performance measurement activities by rewarding stellar performers in any or all of the following:

- Offering bonus points on HUD competitive grant programs.
- Awarding discretionary or reallocated funding for special projects.
- Granting program waivers.
- Creating special demonstration projects.

- Creating national award/recognition programs.

There are two ways to approach implementation of a new performance measurement system: a phased-in approach or wholesale adoption. Given numerous complexities, there is a tendency toward the former. Yet because stakeholders are anxious to begin to work in a new system and because much can go wrong with a phased in approach, **the Panel recommends development and adoption of a wholesale approach.** The Panel recognizes the myriad constraints and challenges faced with this approach. Nonetheless, a rapid adoption is essential to success of a new performance system.

The new focus on performance-based management for CDBG will be successful only if HUD makes it a high priority. CPD and CDBG management are equally behind the effort. Indeed, this project and others are a first step. **The Panel recommends that the HUD Secretary make this initiative a high priority.**

CHAPTER TEN

ALTERNATIVE PERFORMANCE MEASUREMENT SYSTEMS

FINDING AND RECOMMENDATION

Numerous methodologies exist that would supplement HUD's traditional performance indicator approach.

The Panel recommends that HUD explore these methods as a way of demonstrating CDBG program accomplishments. This can be done either through a series of demonstration projects or through HUD's Office of Policy Development and Research.

CDBG grantees typically use commonly available performance indicators gathered from administrative data, surveys, client records and the like. Several additional methodologies might be employed that would supplement or complement a traditional performance measurement system, as described above. These would be undertaken by HUD or some competent outside organization with expertise and resources. State and local entitlements, as observed above, likely could not pursue these alternatives.

SOCIAL SCIENCE ATTRIBUTION

Some performance indicators likely cannot be produced by grantees across the country. An alternative is to take social science research that demonstrates, with high creditability, impacts of CDBG programs on one city or neighborhood, and then extrapolate the impact to all similar programs across the nation. For example, if it can be demonstrated that expenditure in a city reduces the number of homeless people by 10 percent, one could estimate that similar expenditures in all other cities would have the same effect.

SHIFT-SHARE

Some performance indicators are readily available for states or cities, but not neighborhoods. Performance data would be produced by allowing planners to estimate outcomes or impacts by estimating the share a neighborhood contributes to the city on the whole. For example, if a public health program expenditure improves the health of low- to moderate-income people in a city, a neighborhood having a known proportion of these residents might have benefited by that share.

BEST-WORST CASE SCENARIOS

Some grantees may not report or be able to report performance indicator data on some outcomes, but other grantees can. CPD could take indicator data from those reporting, calculate the range of outcomes, and then attribute them to non-respondents. For example, if 100 cities report indicator data on an outcome that ranges from a high of 20 percent and a low of zero, with an average of 10 percent, these figures would be converted into a nationwide estimate that would report the high, low and average.

SIMULATION

Simulation often is just as accurate as primary data gathering, and much less expensive and much more available. CPD would commission simulations of outcomes in those CDBG expenditure areas where it is difficult to acquire primary data from grantees. A simulation is a mathematical model representing key relationships between inputs and resources, outputs, outcomes and impacts. Simulations usually run on computer programs. In CDBG, CPD might build databases for various activities where it knows costs, outputs, outcomes and impacts for some communities, then enter in data for communities where these data are not known, asking the simulation what they likely outcomes and impacts would be based on the experience of others that is known.

OPPORTUNITY COSTS

Whenever grantees make expenditures on some activities, they forego benefits that might have been accrued had they expended these funds on other activities. Grantees might be asked to report opportunity costs as a measure of the importance of CDBG. If one were to simply ask whether CDBG was important, all grantees would invariably say yes, but measuring what was foregone might reveal true program impact. For example, grantees might be asked to report how many houses could not be brought up to code because only enough funding was available to provide potable drinking water to a community in distress.

OVERSIGHT AND ACCOUNTABILITY

To make these options viable, an independent board of practitioners, researchers, policymakers and advocates could certify that the performance information produced was objective, satisfied social science research criteria, and consistent with laws, regulations and policies.

DEMONSTRATION PROJECTS

HUD, either through PDR or CPD, often funds demonstration projects to test ideas. It might fund several demonstrations for which performance data are gathered traditionally and compared with data gathered through the supplemental methods. If they are comparable, HUD might use

the supplemental mechanism to gather performance data where it is not adequately being produced or to gain greater insight into the meaning of data gathered in the traditional system.

SUMMARY OF SELECTED PERFORMANCE REPORTS

Federal Research Articles		
Document Name	Document Source	Description
Measuring Up: A Practical Approach to Measuring Performance in State CDBG-Funded Programs	U.S. Department of Housing and Urban Development (COSCONA Sponsored Training)	<i>HUD/COSCONA course for State CDBG-Funded programs an overview of how to implement an effective performance measurement system. Information includes:</i> --Tuning up your program --Basics of performance measurement --Measuring program outcomes --Applying measurement to programs --Developing an Implementation Additionally, the training integrates work done by HUD to develop performance measurement systems and suggested draft COSCA indicators.
Community Development Block Grant Program – Guide to National Objectives & Eligible Activities for Entitlement Communities	U.S. Department of Housing and Urban Development: Office of Community Planning and Development	This guide is designed to help public officials and citizens understand what activities are eligible to be assisted under the CDBG program and to guide them in making choices among alternatives available within the program for carrying out particular activities. Organizes eligibility requirements, provides explanatory materials, and provides guidance on accessing additional CDBG resources in a community.
Notice of the Development of State and Local Performance Measurement Systems for CPD Formula Grant Programs	U.S. Department of Housing and Urban Development	Encourages CPD grantees to develop and use a both state and local level performance measurement system. Provides guidance to grantees on an effective performance management system and supplies a list of additional resources.
HUD Strategic Plan FY 2003- FY 2008	U.S. Department of Housing and Urban Development	Provides long-term goals and objectives for HUD through 2008. The bulk of this document goes over HUD’s strategic goals, including Improving homeowner opportunities, Promote decent and affordable housing, Strengthen communities, Ensure equal opportunities in housing, Embrace high standards of ethics, management and accountability, and Promote participation in Faith-based and community organizations.
Annual Performance Plan, Fiscal Year 2004	U.S. Department of Housing and Urban Development	Closely related to both HUD’s Strategic Plan and HUD’s FY 2004 budget request. The Annual Performance Plan also dovetails with HUD’s new Human Capital Strategic Plan for FY 2003–2008 that was completed in March 2003. This new Human Capital Strategic Plan supports the HUD Strategic Plan. HUD’s three strategic goals for human capital are: 1) a mission focused agency; 2) a high quality workforce; 3) an effective succession plan. The Annual Performance Plan outlines the steps that HUD plans to take in FY 2004 to achieve the Strategic Goals and Objectives outlined in HUD’s recently released Strategic Plan. The Annual Performance Plan also tells Congress and the public what we expect to achieve with the funds requested in the FY 2004 budget.
Homes & Communities Highlights from HUD’s FY 2002 Performance and Accountability Report	U.S. Department of Housing and Urban Development	HUD’s Performance and Accountability Report for Fiscal Year 2002 provides the Congress and people with an accounting for the results of the expenditure of public funds toward the mission and strategic goals and objectives of the Department for this year.

Federal Research Articles		
Document Name	Document Source	Description
The President's Proposal	U.S. Department of Housing and Urban Development	The President's Budget offers new strategies to: 1) meet aggressive goals for increasing home ownership and ending chronic homelessness; 2) strengthen housing assistance and community development programs; and 3) continue the effort to improve HUD's performance and provide better stewardship of funds. The Administration has a multi-part strategy to expand home ownership with a special focus on increasing opportunities for minority households. This strategy includes new financing options, increased funding to educate borrowers, down payment assistance, and support of self-help programs.
Sec. 5301.* Congressional findings declaration of purpose [*Section 101 of the Act]	U.S. Department of Housing and Urban Development	This document is an overview of the Congressional findings of Sec. 5301. There were four main findings: <ol style="list-style-type: none"> 1. The Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems 2. The Nation and the well-being of its citizens depend on the Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies 3. The Nation is in need of Decent housing, suitable living environment, and economic opportunities for persons of low- and moderate-income; community development activities which may be supported by Federal assistance 4. The Nation must develop a national urban growth policy by consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs into a consistent system of Federal aid
Presentation for the World Bank Group	U.S. Department of Commerce – Economic Development Administration	Presentation, to the World Bank Group, provides an overview of the Economic Development Administration (EDA), EDA programs offered to distressed communities, EDA's performance measurement system, and how to apply the EDA experience internationally. Of particular interest is their performance measurement system. EDA has two clearly stated goals. EDA defines specific performance measures for each goal, indicates data sources, and reporting timeframes for sources.
Economic Development Administration	U.S. Department of Commerce	Economic development supports two important public policy objectives: creating wealth and minimizing poverty. The creation of wealth enables people to become economically self-sufficient and provides the resources needed for building safe, healthy, convenient, and attractive communities in which people want to live, work, and raise their families.
Closing Guidance for Awardees of the 2001 Small and Emerging CDFI Assistance Component of the CDFI Program	The Department of the Treasury – Community Development Financial Institutions (CDFI) Fund	This guidance workbook for recipients of the 2001 Small and Emerging CDFI Assistance (SECA) Component of the Community Development Financial Institutions (CDFI) is designed to inform the recipients of the process to close their award and identify responsibilities for completing key action items necessary to receive their award.

State/City Research Articles		
Document Name	Document Source	Description
Community Development Services Performance Measures	City of Redwood, CA	Describes performance measures for the Community Development Services department of the city of Redwood, California. The evaluation of performance measures for this department includes results for 2003, a definition of the measure, analysis of results, and next steps for improvement.
Affordable Housing – Santa Monica, CA	Santa Monica, CA	I Defines a housing affordability goal to develop strategies to create and preserve affordable housing in Santa Monica and assist low-income residents with their housing needs. To accomplish this goal, they define two work objectives, action steps for each work objective, and performance measures for each work objective.
Santa Barbara South Coast Community Indicators 2002	University of California—Santa Barbara	An overall picture of the Santa Barbara South Coast Community’s health and well-being. It also provides the employment and income data. Goes into detail about Social Indicators, Environmental Indicators, and Economic indicators, which affect quality of life.
Data Central ~ Self-Sufficiency for Families	Northern California Council for the Community	Report Overview—The 2002 State of the Bay Area: A Regional Report is a study of four key areas of life – economic self-sufficiency, health, education and safety. The report includes the nine counties of the Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.
Data Central ~ Housing Affordability	Northern California Council for the Community	The Bay Area is one of the least affordable regions in the country for home ownership, and this situation has been getting worse. In 2002, only 9% of homes in San Francisco, San Mateo, and Marin counties were affordable to median income families, down from 25% in 1998. Further, as seen in the map below, median prices for new and existing single-family homes and condominiums ranged from \$200,000 in Solano County to \$1,000,000 or more in some parts of Santa Clara, San Mateo and Marin counties.
Redefining Progress ~ Community Indicators Project	Redefining Progress – California	Despite the growing number of indicators projects, there has been very little communication among them. In response, Redefining Progress’s Community Indicators Project links existing and emerging projects and facilitates the development of community indicators initiatives nationwide through a series of tools, resources, and technical support, including: an e-mail-based discussion group, a database directory including basic information on over 200 community indicators projects around the United States, and the Community Indicators Handbook. The project has also recently organized the California Community Indicators Initiative to strengthen indicators work in the state.
Pasadena / Altadena Quality of Life 2002 Index	City of Pasadena	The 2002 Quality of Life Index builds on our core belief that health is more than the absence of disease. In public health, we recognize that economic, environmental and social conditions can diminish or advance population health and quality of life, just as our individual behaviors and choices do. This version of the Index acknowledges that wholeness and balance in all areas are necessary for all members of a community to thrive. It is a guide for community progress and renewal. It is a tool to build a healthier, more vital community.
Joint Venture’s 2003 Index of Silicon Valley ~ Measuring	Joint Venture: Silicon Valley Network	Joint Venture published the annual <i>Index of Silicon Valley</i> to gauge the region’s progress toward the <i>Silicon Valley 2010</i> vision. Using a variety of regional indicators, the Index offers a comprehensive, up-to-date look at

State/City Research Articles		
Document Name	Document Source	Description
Progress Toward The Goals of Silicon Valley 2010		the region's economy and quality of life.
Indicators of Sustainable Competitiveness ~ San Diego Region	SANDAG – San Diego's Regional Planning Agency	This report is the initial step in a different way for the region to evaluate itself in three broad areas: the economy, the environment and equity. These three areas are inextricably linked and work synergistically to affect the quality of life in a region. Although improvements can and should be made in all three "Es", for San Diego, this report shows that, for San Diego, the city has their work cut out for us in the area of equity. The region is at a competitive disadvantage in the areas that define equity, including housing affordability, income distribution, traffic congestion and early childhood education. In addition, the outlook for these equity areas is not good, suggesting the city likely will not see any near term improvement if they continue with a business as usual attitude.
Telling Our Story, Measuring Our Progress: California's Regional Quality of Life Indicator Projects	California Center for Regional Leadership	This report is an inventory and analysis of the growing field of practice for Regional Quality of Life Indicator Projects in California. Indicator projects are growing in popularity throughout the state, and indeed the nation, as a valuable tool to: Identify and track community conditions; Measure progress towards shared goals; Mobilize action to improve community outcomes provider and partner.
Bay Area Indicators: Measuring Progress Toward Sustainability, January 2003	Bay Area Alliance For Sustainable Communities	The <i>Bay Area Indicators: Measuring Progress Toward Sustainability</i> is a key companion document to the <i>Compact for a Sustainable Bay Area (Compact)</i> (http://www.BayAreaAlliance.org/compact.html) and an integral component of the overall implementation strategy of the Bay Area Alliance. Organized by Commitment in the <i>Compact</i> , the set of broad indicators in this report was developed in a multi-stakeholder collaborative process by the Indicators Working Group, adopted by the Bay Area Alliance in 2000, and published in the <i>Draft Compact</i> . These indicators will be used to measure the current status and gauge progress (or lack thereof) toward a more sustainable future.
Strategic Plan 2003-2005	Regional Civic Alliance for Ventura County, CA	During its 2003-2005 program cycle the Regional Civic Alliance will focus its efforts on three program goals and objectives: <ul style="list-style-type: none"> • Regional Growth and Sustainability • Civic Engagement and Education • Research
Locked Out 2002 California Affordable Housing Crisis Continues	The California Budget Project	Documents the long-standing California affordable housing crisis as of 2002. The exponentially increasing home prices and rents have caused both middle and low-income families to be locked out of the housing market. For low-income families, families are often forced into substandard or overcrowded conditions in order to afford shelter. Previous reports called for an increased Federal commitment to affordable housing in California and increased state report to reverse this trend. However, the most current findings show little progress and the state fiscal crisis has resulted in a reduction of state funds allocated to affordable housing.

State/City Research Articles		
Document Name	Document Source	Description
Affordable Housing Production: Comparing the Expenditures of Six U.S. Cities	Southern California Association of Non-Profit Housing	Examines housing production expenditures for major U.S. and California cities. Cities include Los Angeles, San Diego, San Jose, New York, Chicago and Phoenix. Spending is expressed as amount spent per person. San Jose spends the most on affordable housing production per person while Los Angeles, the second largest city in the study, spends almost the least per person. The study also finds that cities depend heavily on Federal funds for affordable housing development; California cities depend heavily on Redevelopment Agency funds for affordable housing development; and cities are now using more innovative mechanisms, including public-private partnerships to increase funding sources.
California: The State of our Children	Children NOW	Documents how California's children are doing in terms of education, health, family, economic resources, and safety. The report measures how California compares to national statistics while also including county-level statistics to look at differences within the state. In response to the data, the report offers strategies for improving young children's well being.
County of Orange Community Indicators 2003	County of Orange, CA	The Orange County Community Indicators Project annually measures quality of life in Orange County by tracking key indicators of economic, social and environmental well-being. Modeled after successful programs in the state and nation, the Community Indicators Project serves as an ongoing and dynamic measurement tool that can support a variety of local and regional initiatives.
Regional Quality of Life Indicator Projects and the California Progress Project	California Center for Regional Leadership	This report discusses the California government and how it affects urban development; talks about Quality of Life indicators and how it affects a community's well being; and gives links to several reports concerning different regions' community development.
Assessing the Region Via Indicators Community Well-Being – The State of the Great Central Valley of California	The Great Valley Center	This report can be used as a benchmark for assessing the progress of the Valley through community well being as an important component of quality of life in the region. Individual communities may develop specific indicators tailored to their own concerns and unique assets. The report can then serve as a guide and a model for developing an indicator-based assessment of smaller communities and cities.
Oppaga PB2 Status Report – November 2000 (Report No. 00-15)	Office of Program Policy Analysis and Government Accountability for the State of Florida	In 2000, legislature and the Governor enacted changes to Florida's performance-based program budgeting (PB ²) to strengthen its impact on government efficiency. This report examines the state of Florida's PB ² reform including the recently enacted changes to make the budgeting more useful to state budgeting and agency reform efforts. The report further discusses the strengths of PB ² , weaknesses that limited its impact, and solutions for these weaknesses to improve the system and enhance state efficiency.
Measuring Progress: Community Indicators and the Quality of Life	Jacksonville Community Council Inc	Summarizes major approaches and issues in the national and international community-indicators movement and then focuses on the experience of the Jacksonville (Florida) Community Council Inc., a pioneer and leader in the community-indicators movement.
FY 1998/99 Goals, Objectives and Selected Performance Measures	Ft. Lauderdale Planning and Economic Development Department	For the various divisions of Ft. Lauderdale's Planning and Economic Development Department, the department states the division's goals, objectives and selected performance measures (workloads/outputs, efficiency, and effectiveness).

State/City Research Articles		
Document Name	Document Source	Description
IDIS/BOSMAC Demonstration	Boston HUD Office of CPD	The Boston Macro (BOSMAC) enables users to conduct analyses of IDIS data in an easier and more efficient manner. BOSMAC can be used for monitoring, preparing a CAPER, managing IDIS data, and responding to ad hoc requests for data. Essentially, BOSMAC changes long IDIS reports to an easily manipulated Excel spreadsheet. BOSMAC also provides CDBG Activity Summary Reports (GPR).
IDIS Macros	Boston HUD Office of CPD	The Boston office of CPD developed MS Excel and MS Word macros to facilitate the analysis of IDIS reports. The Excel macro will convert the IDIS text file to Excel databases that can be then analyzed with pre-formed Excel filters, pivot tables and other useful tools.
Boston Indicators Report 2002 ~ Housing: Goals & Measures	The Boston Foundation	The site presents Boston housing goals, measures for these goals, and accomplishments.
Boston Indicators Report 2002 ~ Economy: Goals & Measures	The Boston Foundation	The site presents Boston economy goals, measures for these goals, and accomplishments.
2001 Community Services Block Grant (CSBG) Performance Measurement Report	Massachusetts Department of Housing & Community Development	This report is an overview of CSBG activities and performance measures. The report includes information on data collection and analysis methods, results-oriented and accountability, action planning, and national goals and outcome measures.
Community Services Block Grant Federal Fiscal Year 2004 State Plan—State of Ohio	The State of Ohio, Ohio Department of Development, and the Office of Community Services	Presents Ohio’s National performance goals and outcome measures. Results are broken down by goals. Measures are listed for each goal and how Ohio has performed against these measures.
Rating the Region	Citizens League Research Institute, Cleveland, Ohio	The Citizens League Research Institute has assembled a comprehensive list of regional community benchmarks comparing the Greater Cleveland metropolitan area to 24 other metropolitan areas across the United States with whom we compete for business and people. The indicators in this report are designed to: serve as a community resource to stimulate a dialogue about regional issues, and illuminate the region’s strengths and areas of potential weakness.
Reported Accomplishments	Columbus, Ohio	This document indicates eligible housing, economic development, and public service eligible CDBG activities and their associated outputs from 1/1/02 – 12/31/02.
Agency Strategic Plan for the Fiscal Years 2003-2007	Arkansas Department of Economic Development	<i>The Arkansas Department of Economic Development states two agency goals for FY03-FY07:</i> <ol style="list-style-type: none"> 1. <i>To stimulate job creation, retention and capital investment in the State of Arkansas</i> 2. <i>To support and increase the development capacity of Arkansas communities</i> <p>For each goal and agency program, objectives and strategies are defined, as well as performance measures (effort, output, outcome and/or efficiency) and the associated data sources for each fiscal year.</p>

State/City Research Articles		
Document Name	Document Source	Description
2003 State of Texas Low- Income Housing Plan and Annual Report	Texas Department of Housing and Community Affairs	Summarizes Texas' Department of Housing and Community Affairs performance during FY2003. The performance report is organized by program, activity, and income category.
Performance Indicators Report—Denver	Planning Board of the City & County of Denver	Describes the housing goals, associated performance indicators, and accomplishments for the city of Denver. There are three main housing goals: increase the amount of affordable housing; increase home ownership, and the expansion of housing options.
2002 – 2005 Arizona Master List of State Government Programs	Arizona Housing Development Agency	A strategic goal of the Arizona Housing Development Agency is the adoption of goals and performance measures. This document summarizes program goals and performance measures for the Housing Development Agency and the Housing Finance Authority.
Iowa CIPA Project: Selected Performance Measures Suggested by Various Citizen Performance Teams	Iowa CIPA Project	This matrix provides performance measures for various services and critical elements. Services included are police; fire; emergency medical services; aquatics programs; recreation center programs for youth or adults and parks; community development and neighborhood services – nuisance control; library; street construction repairs and maintenance; and snow removal.
Case Study: Citizens Identifying Performance Measures – The Experience in Iowa	Alfred Ho and Paul Coates, Iowa State University – Department of Political Science	This paper describes a three-year project taking place in Iowa aimed at getting citizens involved in the development and implementation of performance measures in select cities. It aim was to get citizens involved in city decision making and at the same time develop efficient performance measures.
Public Hearing on the Annual Evaluation of the Affordable Housing Initiative for the City of Minneapolis 2002	Minneapolis Community Development Agency (MCDA)	The policy contains three requirements and eight goals for affordable housing production. Included in the report is a matrix outlining requirements and goals, MCDA's 2002 accomplishments, and whether or not each requirement or goal was met.
Comments on the Development of Trade and Economic Development's 1996 Biennial Performance Report	Minnesota Office of the Legislative Auditor – Program Evaluation Division	Critics the 1996 report and compares it to the 1994 bicentennial report. Suggests changes that would make it more useful. Goes over improvements that were made from the 1994 report to the 1996 report, which aids the report.
Accomplishment Report	City of Milwaukee	CDBG, ESG and HOME Funds 1999 Community Block Grant Activities by Key Activity. (A list of organizations and activity descriptions)
The New York State Social Indicator Project	University of Albany, NY	The New York State Social Indicator Project is a map-based information system or data archive. Designed to meet the needs of a variety of potential users, from planners and public officials to community organizations, this web application is useful in identifying for example the most attractive and successful aspects of a city's development (useful in marketing the city to newcomers) as well as the problem areas requiring more focused public policy intervention. The application differs from most since it extends beyond a single locality or metropolitan region. Data at the county and tract level is available for all of New York State, making it easy to compare counties with counties and tracts with tracts for the whole state.

State/City Research Articles		
Document Name	Document Source	Description
Center for Community Economic Development (Community Indicators)	University of Wisconsin-Extension	The University of Wisconsin initiated a project to identify several community indicators. Their intent was to develop and publish online templates that will provide practical thought provoking information and stimulate discussion at the community level. The templates were designed to provide easy access to a variety of data about a community. They also enable a community to obtain similar data about other communities throughout the United States.
Sustainable Community Development ~ Indicators of Community Sustainability— January 1998	University of Wisconsin-Extension Cooperative Extension	This document gives extensive examples of indicators of Community Sustainability. These indicators are broken into 6 categories: economy and individuals, business, agriculture and natural resources, education, environment, and government.
Madison, Wisconsin ~ Results: 2000 – 2004	City of Madison, WI	The City of Madison established five major goals and ten primary outcome objectives in its 2000-2004 Five-Year Consolidated Community and Neighborhood Development Plan. These were established as a result of a long series of discussions, analysis and review with many individuals, groups and policy bodies within the City. Once approved by the Common Council and HUD, these goals became one of several major funding factors in the design, funding, and evaluation of activities over the plan period.
Community Development Block Grant Program ~ 2003-2004 Program Funding FRAMEWORK for Community and Neighborhood Development	City of Madison, WI	The CDBG Commission has established four primary goals and nine outcome objectives for the use of funds to be administered by the CDBG Office in 2003 and 2004. These funds include three major Federal programs administered through the Department of Housing and Urban Development (Community Development Block Grant, HOME, Emergency Shelter Grant) several State-funded or administered programs (Division of Housing), and local City of Madison funds. The goals and objectives for this two-year period are derived from the CDBG Office's Community and Neighborhood Development Five-Year Plan and support other Department and Citywide strategic goals, objectives and allocation processes.
Recommended Service Efforts and Accomplishments (SEA) Reporting Indicators for Economic Development	The State University of New Jersey, Campus at Newark	This website indicates the SEA inputs, outputs, outcomes, efficiency measures, and explanatory information for measuring business attraction and marketing programs. Outcomes include both intermediate and longer-term outcomes. Explanatory information includes Federal indicators of economy and local economic conditions.
A Manual for Performance Measurement in Fairfax County 2003	Fairfax County, VA – Department of Management and Budget	This manual discusses the importance of performance measures, provides information about the factors of performance measures and gives direction as to how to make use of the various factors. Chapters include: Improving Performance Measurement, Linking Strategic Planning to Performance Measurement, Performance Measures – Terminology, Four Step Methodology, and Resources.

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Manual for Data Collection for Performance Measurement in Fairfax County 2003	Fairfax County, VA – Department of Management and Budget	Goes into great detail about the benefits and ways to collect data for performance measurement. Talks about factors such as data presentation and data integrity in its review of data collection.
Metro, Portland, Oregon ~ Regional Affordable Housing Strategy	Metro – Portland, OR	This report discusses the housing affordability needs of the Portland area; regional housing goals; strategies for increasing and preserving the supply of affordable housing; and recommendations for implementation.
Report on the Methods to Evaluate Performance on Programs and Services funded through the Community Development Fund	Oregon Economic and Community Development Commission—Report to the Joint Trade Economic Development Committee and the Joint Legislative Audit Committee	This document evaluates Oregon’s methods of performance measurement and reporting results. The task force recommended a total of 27 performance measures as the best way to track the full range of department and partner responsibilities. Of these 27, the task force recommended continuing 12 measures that they currently track and another 12 that are developmental. Of the new 12, some require only limited work whereas some require more significant work and will require a further feasibility analysis.
Town of Cary 2003 Housing Report	Town of Cary, NC	Describes the current state of housing in Cary, North Carolina. Goes over an inventory of housing type, construction trends, sales price, rent as well as other related data so that the town can assess their current housing stock and plan for the future. Displays other population figures in an attempt to show trends from previous years.
Town of Cary Affordable Housing Initiative	Town of Cary, NC	The Cost of living in Cary, North Carolina is so high that teachers, firemen and policemen have trouble affording houses within the town’s limits. Thus funds are being distributed in order to help out low or median income people live in Cary.
ARC Strategic Plan ~ Program Initiatives: Building a Firm Foundation	Appalachian Regional Commission (ARC)	The Digital Appalachia initiative will encourage private investment in new infrastructure and leverage other government and nonprofit resources. This special initiative will also further ARC’s tradition of supplementing the work of other Federal programs—such as those at the U.S. Department of Commerce’s National Telecommunications and Information Administration, the U.S. Department of Agriculture’s Rural Utilities Service, the U.S. Department of Transportation, and others—by addressing barriers that are unique to Appalachia; ensuring that Appalachia’s communities can participate fully in those other programs; and serving as a clearinghouse for Federal telecommunications activities in Appalachia.

Other Research Articles		
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Neighborhood Indicators: Taking advantage of the New Potential	The Urban Institute	Studies the technical and institutional progress in the use of indicators for changing neighborhood conditions in cities that have made computer-based neighborhood indicators systems feasible. Examines the potential uses of such systems. Ten lessons are then presented that the author draws from his own experience with neighborhood indicator systems.
The Impact of CDBG Spending on Urban Neighborhoods	The Urban Institute	Examines whether available data sources can be used to track outcomes of activities funded with CDBG. The study concludes that two readily available data elements---median home loan amount and number of businesses---hold some promise as tools for helping local communities measure the effects of concentrated CDBG expenditures, but that additional research is needed to verify the utility and clarify the limitations of this methodology.
Program Evaluation in Community Development	McAuley Institute Development Leadership Network	Creates a baseline of information regarding the current performance measurement practices in the community development field in order to inform the Success Measures Project and aid in the development of their web-based information and data management system. Questionnaires were received from 453 organizations describing evaluation practices. Results were then compiled to determine characteristics of credible, successful evaluations.
Success Measures Project	McAuley Institute and Development Leadership Network	Overview of the Success Measures Project (SMP), launched in 1997, sponsored by the McAuley Institute and the Development Leadership Network. SMP is a national initiative, driven by individuals working at the community-based organization level, to define and measure impact in the community development field. SMP uses a participatory process for involving community residents, program participants, staff, board and other stakeholders in documenting and analyzing outcomes of community development programs and activities. The document provides housing, economic development and community building indicators developed through a series of structured dialogues with hundreds of individuals active in community development.
IX: Measuring Community Development Impact: New Technology Tools for Participatory Evaluation	McAuley Institute	This article describes the Success Measures Data System, a new participatory evaluation system, and other technological endeavors in measurement tools for the nonprofit field. The Success Measures Data System is organization-specific and can reside on a central server, making impact analysis at almost no additional cost to an organization. This system, a national participatory evaluation initiative, was jointly sponsored by the Development Leadership Network and McAuley Institute. The report studies this system in the context of what technologies have preceded it in the development of participatory evaluation theory and community level technology tools while also exploring current technologies to realize technology's full potential for expanding impact measurement of community development activities.
Bringing In The Jobs – Draft Strategic Action Plan 2001-2011	Northeast Lincolnshire Council	Long-term approach to both address fundamental weaknesses in the economy and also build on its strengths to deliver increased employment opportunities. All efforts will be in collaboration with local, regional, sub-regional and national organizations. Performance measurement is viewed as a critical aspect of this strategic plan. Progress will be evaluated against indicators shared with SRB programs. The plan is centered on 6 main

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		objectives. For each objective, an overview of the rational and key indicators is provided. The authors then provide a matrix including what needs to be done to achieve the objective, how North East Lincolnshire plans to achieve this objective, when the objective will be reached and who will be responsible to take forward each project.
The North East Lincolnshire Housing Business Plan 2003	North East Lincolnshire Council – Directorate of Community Care	Challenges faced by the North East Lincolnshire Council as landlord of 8973 houses. The plan is broken into sections, each describing an individual issue. The various sections include: a brief description of the demands on the Council of Local Housing from a wide range of requirements, an explanation as to how they arrived at their current vision for the future, where money has to be spent to achieve the goals of the Council, the resources that are available, the changes that are going to have be made, the choices that are going to have be made, a discussion on stock transfer, a summary of the steps that have to be made to follow through with the Vision of the council, and a description as to how they will follow through with their aims.
Defining the Prize: From Agreed-Upon Outcomes to Results-Based Accountability	The Children and Family Policy Center	This guidebook discusses the importance of building consensus in establishing outcome indicators and performance measures that can be use to inform and guide reform efforts and hold themselves accountable to achieving improved outcomes.
Guide to Organizing and Reporting National Indicators of Community Action Performance	National Association for State Community Services Program (NASCSPP)	A guide for state and local communities to better organize and report Results Oriented Management and Accountability (ROMA) outcomes that make up 12 national indicators of community action performance. There are two steps provided by this guide for organizing and reporting national indicators of community action performance. They include: competing the “Preliminary Agency Checklist” to match activities to one or more of the 12 National Performance Indicators; and organizing and reporting outcomes from those activities under the appropriate national indicator.
First Annual Report of Performance Outcomes from the Community Services Block Grant Program FY 2001	National Association for State Community Services Program (NASCSPP)	First annual report of community action outcomes reported by states as required by the Community Services Block Grant Reauthorization Act of 1998. This report contains outcome information for all 50 states, Washington, DC, and Puerto Rico. The National Association for State community Services Programs (NASCSPP) collected this information through the FY01 Community Services Block Grant Information System Statistical Report.
Guide to Organizing and Reporting National Indicators of Community Action Performance	National Association for State and Community Service Programs (NASCSPP)	This guide’s purpose is to help state and local communities report and organize the 12 national performance indicators of community action. The guide first acts the community to link services, actions and funding sources to the 12 national performance indicators and then asks to obtain outcomes for those activities for the appropriate indicator.

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Proposed Framework for CHDO TA	Enterprise Foundation— The CHDO TA Providers Working Group	This matrix is a proposed framework for CHDO – TA (Community Housing Development Organizations Technical Assistance). The matrix is split into the four types of CHDOs. These are emerging, start-up, intermediate, and mature CHDOs. Technical assistance types are based on the needs of each group. For each CHDO group, the matrix provides the TA type, need/problem (CHDO motivation), typical technical assistance/training intervention, expected outcomes, and importance to HUD.
Thinking About Outcomes: A Briefing Book for the COSCDA Performance Measurement Task Force	The Resselaerville Institute	This briefing book is meant as an introduction to outcome thinking for COSCDA and other members of the housing and community development sector. It includes an overview of the concept of outcomes, an introduction to the concept of outcome thinking, and examples of initiatives taken by several Federal offices to meet the CPRA mandate, information regarding the HUD efforts to document the impact of CDBG spending on urban neighborhoods, and a brief survey of some major outcome models in use today.
Out of Reach 2003, Appendix A: Explanation of Fair Market Rent (excerpts from Federal Register Notice of Fiscal Year 2003 Proposed Fair Market Rents (FMR)).	National Low- Income Housing Coalition (NLIHC)	FMRs are used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, and to determine initial rents for housing assistance payments (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy (SRO) program. Other programs may require use of FMRs for other purposes. Today’s notice proposes revised FMRs that reflect estimated 40th and 50th percentile rent levels trended to April 1, 2004.
Out of Reach 2003, Appendix B: Methodology and Sources (excerpts from Federal Register Notice of Fiscal Year 2003 Proposed Fair Market Rents (FMR)).	National Low- Income Housing Coalition (NLIHC)	The analysis in <i>Out of Reach</i> is based on <u>Fair Market Rents</u> (FMRs) proposed by HUD for fiscal year 2004.
Center for Government Performance ~ Forum Focuses on Role of Performance Information in Congressional Budget Process	The Performance Institute	The Performance Institute and a coalition of good-government groups sponsored the “Executive-Legislative Budget Summit on Program Performance and the FY04 Budget Process.” The purpose was to increase awareness in Congress of the development of the Program Assessment Rating Tool (PART) and how it can be used to enhance the focus on performance in the budget process and the level of dialogue between the two branches.
A Toolkit of Indicators of Sustainable Communities (formerly A Toolkit of Sustainability Indicators)	The Housing Corporation and the European Institute for Urban Affairs (UK)	Housing markets are increasingly becoming a key focus of Government policy. The Sustainable Communities Plan has brought an emphasis on market failure, both through the nine low demand pathfinders and the four growth areas. Equally, the creation of regional housing boards and the emerging regional housing strategies have put a premium on collecting sound information about the sustainability of demand for social housing. This Toolkit is therefore designed to furnish its users with the building blocks to analyze complex market processes and thereby make a full contribution to this evolving operating environment.

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Measuring The Impact of The Nonprofit Sector	Flynn Research	In response to the national call (both public and private) for an impact analysis of the nonprofit sector, this study was conducted to gain a better understanding of “develop precise empirical tools to measure the impact of the charitable nonprofit sector, or specific sub-sectors, on society.” Eighteen scholars collaborated to investigate potential research approaches, methodologies, conceptual frameworks, and issues associating with measuring the impact of nonprofits on society. The study concluded that program outcomes need to be measured at the organizational level. Benchmarks and indicators at the community level must be based on what the community is striving to achieve through the nonprofit sector.
The Government Performance Project ~ Final Report	The Maxwell School, Campbell Public Affairs Institute, Syracuse, New York	The Government Performance Project (GPP) is an unprecedented, six-year research initiative evaluating the management capacity of Federal, state, and local government entities. While the project has conducted four rounds of surveys and reports, this is the first effort to address the GPP’s cumulative body of work. Therefore, this report does not restate or reevaluate past findings, but addresses the lessons learned about the five key management systems at the state, city, and county levels of government. This report also addresses the overarching themes synthesized from six years of research, including commentary on leadership and management integration and, finally, it assesses the applicability of the GPP model and methodology to governments not included in the original surveys.
How to Assess the Impacts? Monitoring and Evaluation	The World Bank Group	This article uses a slum-upgrading initiative as an example of how to monitor and evaluate a program or project. The study focuses on assessing the impacts and indicates monitoring project results are necessary to understand if the programs reach intended beneficiaries, if resources are being spent efficiently, or if the program or project can be better designed to achieve the intended outcomes. The study uses key considerations to define project objectives, expected output, intermediary indicators, outcome/impact indicators, and monitoring and evaluation activities.
Indicator-Based Management and Monitoring of Quality of Life in Municipalities	The Bertelsmann Foundation	Discusses Indicator-based Management and how they can affect Quality of Life. Goes into detail of cities all around the world and how they use Indicator-based management.
Performance Reports ~ Housing 02 ~ Developing Performance Indicators for Housing Assistance	Council on the Cost and Quality of Government—Sydney, Australia	Australia developed a national framework for performance measurement in housing assistance. This report describes the performance measurement inputs, outputs and indicators for New South Wales’ public rental tenancies covered by the Commonwealth State Housing Agreement (CSHA).
Performance Reports ~ Economic Development 03 ~ State and Regional Development	Council on the Cost and Quality of Government—Sydney, Australia	SRD attracts investment projects to, or retains investment in NSW through marketing, the provision of information, project facilitation (assistance with the approval process), financial assistance, or a mixture of these strategies.

Other Research Articles		
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Municipal Performance Measurement Program	Ministry of Municipal Affairs – Ontario, Canada	Initiative designed to provide taxpayers with useful information on service delivery and municipalities with a tool to improve those services over time. The program requires municipalities to collect data to measure their performance in 10 core municipal service areas. All relevant and current information, including important updates to the program's requirements and answers to technical questions by service area as asked by municipalities, have been drawn together in a "one-window" format.
List of MPMP Measures for 2002 Reporting Year	Ministry of Municipal Affairs – Ontario, Canada	Municipal Performance Measurement Program (MPMP) Handbook in PDF or HTML format
Community and Community Development: Parts I to III	Dr. E. Voth, Ph.D., University of Arkansas	Description of a University of Arkansas introduction to Community Development course. Topics include the Community; Community Development in Historical Perspective; Community Development Practice: Community Development as Interventions Processes; and The Dimensions of the Community: community Development as Science.
On Target: The Practice of Performance Indicators	The Audit Commission (UK)	Criteria for robust performance indicators. These recommendations help to ensure that proposed indicators will be useful and effective. The recommendations include: having indicators relevant to the organization; clear and intelligible definitions of indicators; indicators that are easy to use and understand; use of indicators that are comparable on a consistent basis both between organizations and over time; and indicators where information and data are verifiable.
Quality of Life Indicators Pilot 2001/02	The Audit Commission (UK)	Recommends several Quality of life indicators for councils and Local Strategic Partnerships with a goal in helping to better monitoring community strategies. Goes into a history of how the government got involved in these indicators. Also discusses how the future role of indicators.
Housing Association Performance Indicators	The Housing Corporation (UK)	The housing association Performance Indicators site gathers data from associations through annual statistical returns, data about lettings on an ongoing basis, and financial data from the website. Analyses of the performance of all associations collectively are compiled annually.
DRAFT ~ Results Oriented Management and Accountability (ROMA) – Progress Report and Next Steps	ROMA – Results Oriented Management and Accountability	Over the past nine years, the Community Action Network has been engaged in a pioneering effort to strengthen community action program effectiveness and accountability through the development and installation of “Results Oriented Management and Accountability,” or ROMA.

Other Links of Interest		
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HUD—Guidance for Reporting CDBG Accomplishments in IDIS	U.S. Department of Housing and Urban Development	The Government Performance and Results Act of 1993 requires HUD to give reliable and comprehensive information about their performance measures. This guidance is intended to help HUD report accomplishment data in IDIS in order to meet the Government’s requirements. The document goes into detail about: Timely reporting of data, Avoiding duplications in reporting accomplishments, Assigning correct matrix codes and national objectivities to activities, How to report information on various IDIS screens, and to Identify the IDIS screens from which the various accomplishment data on the Grantee Performance Report, originate.

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HUD- Community Development Block Grant Entitlement Communities Overview	U.S. Department of Housing and Urban Development	This program gives out grants to a number of cities and counties so they can develop their community through improving their facilities, and aiding their economy. The grant focuses especially on those citizens of the community who have low- or middle income.
HUD- State Administered CDBG	U.S. Department of Housing and Urban Development	In 1981, Congress amended the Housing and Community Development Act of 1974 so that individual states had the opportunity to distribute CDBG funds non-entitlement areas. These included cities with less than 50,000 people and counties with less than 200,000 people which do not already receive CDBG funds directly from HUD. Every state (besides Hawaii) and including Puerto Rico participates in the program.
CPD – IDIS Reference Manual—Appendix B: IDIS Code Definitions	U.S. Department of Housing and Urban Development	This document defines codes used in the Integrated Disbursement and Information System (IDIS). These definitions include accomplishment codes, IDIS matrix codes describing the nature of the activity being funded by HUD, and fund source types.
HUD CFO Reports	U.S. Department of Housing and Urban Development	This website list number links to documents such as: FY 2004 Budget, FY 2004 Congressional Justifications, FY 2003 Budget, Details of HUD’s FY 2003 Budget, etc.
LISC Online Resource Library		LISC Online Resource Library is made possible by the generous support of the HUD and the National Community Development Initiative. The LISC Online Resource Library contains in-depth information resources and distance learning opportunities for community development practitioners. For more information about the Local Initiatives Support Corporation or about the Community Development Corporations (CDCs) that we support, please visit the “What We Do” section.
Data Definitions	The Enterprise Foundation	This data dictionary includes definitions of divisions of the Enterprise Foundation and data definitions.
Rural Business—Cooperative Service	USDA	

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RBS – Business Programs Directory	USDA	Promoting a dynamic business environment in rural America is the goal of Rural Business-Cooperative Service (RBS), Business Programs (BP). BP works in partnership with the private sector and the community-based organizations to provide financial assistance and business planning. BP help fund projects that create or preserve quality jobs and/or promote a clean rural environment. The financial resources of RBS BP are often leveraged with those of other public and private credit source lenders to meet business and credit needs in under-served areas. Recipients of these programs may include individuals, corporations, partnerships, cooperatives, public bodies, nonprofit corporations, Indian tribes, and private companies.
Office of Community Development Online	USDA	Each program and initiative promotes self-sustaining, long-term economic and community development in rural areas. The programs demonstrate how every rural community can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented at a grassroots level. The programs stress continued local involvement and decision making which is supported by partnerships among private, public and nonprofit entities. Please contact us for further information on the range of rural and community development programs administered by USDA or to jump start your local community development projects.
Rural Development Online	USDA	This website contains numerous links to various documents relating to Nonprofit Opportunities, Public Bodies Opportunities, Lender Opportunities Developer Opportunities, etc.
Rural Development Online ~ State Offices	USDA	A map of State Offices.
Rural Development Online ~ Publications	USDA	This website has links to numerous publications such as: Rural Cooperatives Magazine, Business/Cooperative Publications, Community Development Publications, etc.
Performance Measures Summary – New Mexico	New Mexico – Economic Development Department	Overview of performance measures for New Mexico. Fiscal Year 2001 and 2002 are compared to FY03 budgeted measures, FY04 requested measures, and FY04 recommended measures.
Accomplishment Report by Organization	City of Milwaukee	Organization activities are listed by funding source, funding amount, annual goal, and goal achievement.
Planning Area 3 – Lincoln Park	City of Milwaukee	Provides statistics for the Lincoln Park area of Milwaukee, including demographics, housing statistics, community crime statistics, employment statistics, etc.
City of Milwaukee Community Development Block Grant Program	City of Milwaukee	The Community Block Grant Administration is responsible for applying for recommending the allocation of, and overseeing the effective use of approximately \$30 million of Federal funds or programs in targeted central city neighborhoods. Most of the funding is to assist lower income families and remove blight.
BIA Homepage	The Building Industry Association of Superior California (BIA)	The Building Industry Association of Superior California (BIA) is a professional trade organization, whose goal is to secure a more favorable economic environment for homebuilding.
Data and Reports	Community Services Planning Council (California)	Links to more than 100 web sites with valuable information and data for community planners, students, grant writers and researchers. This site also provides maps and map links, regional data, special reports on community

Other Links of Interest		
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		issues, and research and planning services.
Grantee Data System: Rankings ~ CLIKS: County-City-Community Level Information on Kids	The Annie E. Casey Foundation	This site provides data for California on children. This includes education, health, family economics, child welfare, and parents' education.
Housing thermometer and progress reports ~ Minneapolis Affordable Housing Goals	City of Minneapolis	This site presents production and preservation goals for both new and rehabilitated affordable units.
Oregon Benchmarks (tables)	State of Oregon	This table presents performance measures from 1980 – 2010.
Library of Local Performance Indicators	UK – Audit Commission and Improvement and Development Agency	Arrange 'off-the-shelf' quality approved performance indicators (PIs) that authorities can voluntarily select and use if appropriate to their local circumstances. All indicators have clear definitions that ensure consistency and enable comparison with others. Further indicators will be developed over time to address the range of local authority services and crosscutting issues that authorities and their partners are currently tackling.
Compendium: A Global Directory to Indicator Initiatives	International Institute for Sustainable Development (IISD)	A worldwide directory of who is doing what in the field of sustainability indicators
Ranking of Provinces for Selected Poverty Indicators / Annual Poverty Indicators Survey (APIS) / October 1999	Republic of the Philippines	Highlights of the October 1999 Annual Poverty Indicators Survey (APIS) conducted by the National Statistics Office (NSO). The survey provides access and impact indicators that can potential be used for the development of a poverty indicator and monitoring system. The survey covered 41,000 sample households in the Philippines across 77 provinces. APIS gathered information on the socio-economic profiles of families and other living condition indicators to compare how a certain province fares in relation to other provinces in terms of families meeting one of the 15 included minimum basic needs (MBN) or covered by a particular poverty correlate. The report summarizes results for survival, security, and enabling indicators.
Community Action Partnership		The Community Action Partnership was established in 1972 as the National Association of Community Action Agencies (NACAA) and is the national organization representing the interests of the 1,000 Community Action Agencies (CAAs) working to fight poverty at the local level.
The Enterprise Foundation		The Enterprise Foundation and their 2,400 Network members work together to provide low-income people with affordable housing, safer streets and access to jobs and childcare. They are nonprofit, community-based organizations, public housing authorities and Native American Tribes from around the country creating powerful partnerships to rebuild communities and empower people in neighborhoods nationwide.
Affordable Housing Resource Center – Breaking News	Novogradac & Company, LLP	This site displays current news regarding affordable housing

Other Links of Interest		
Document Name	Document Source	Description
PolicyLink		PolicyLink, a national nonprofit research, communications, capacity building, and advocacy organization, is enlarging the sphere of influence that affects policy so that those closest to the nation's challenges are central to the search for their solutions.
NNIP Publications	National Neighborhood Indicators Partnership (NNIP)	Links to various publications such as: Project Concept and Overview, Building and Operating Neighborhood Indicator Systems, Building Community Capacity to Use Information, etc.

PANEL AND STAFF

PANEL

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Elizabeth Dudley

A Research Analyst with over two years professional experience in corporate data analysis, market analysis, and project management. She also has five years of formal education in economic theory, econometrics, regression and data analysis, operations management, and international business. Ms. Dudley participated in the VA Home Loan Guaranty Program by utilizing 1990 Census PUMS data to explore homeownership rates among veterans and active duty personnel. Additionally, she analyzed and reported on housing needs for the HUD Indicators of Mortgage Market Underservice in Non-metropolitan areas.

Roberto Cavazos

One of four senior staff in a 20-person research and information technology team in Falls Church, Virginia. His work focuses on economic, statistical and policy analysis. He is deployed on projects including, performance measurement, program evaluation, statistical and econometric modeling, and other areas to facilitate program/policy evaluation and managerial decision-making. His skills include financial analysis, urban and regional economics, program evaluation, research design and cost benefit analysis. He has worked as a senior analyst and manager for the State of Texas and City of New York. He has served on the faculty of the University of Texas at San Antonio and Florida International University. He has published scholarly articles on a range of public policy and economics issues.

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