

Evaluating the Impact of Our Work

Organizational Background: _____

CHN's mission is to build strong families and thriving neighborhoods through quality affordable housing and strengthened financial stability. CHN works toward its mission through four core skill sets, all centered around the goal of using housing as a platform to help low-income families reach new levels of self-sufficiency.

Each year, we serve 30,000 low-income families in:

- **Affordable Housing & Home Ownership**

CHN has developed over 5,000 units since 1987. Homes are developed for low-income families, seniors, the disabled and the chronically homeless. We have helped 2,500 low-income families to achieve home ownership through innovative programs which we created.

- **Housing Crisis & Income Supports**

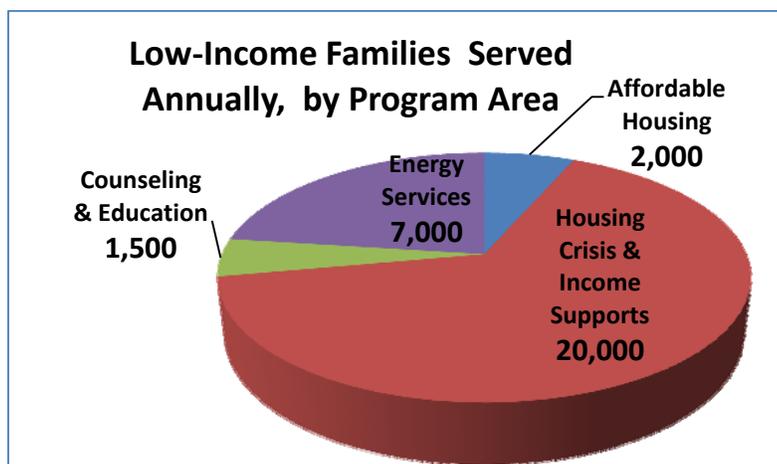
Also known as Safety Nets & Supports, CHN provides foreclosure/eviction prevention, utility bill payment assistance and EITC tax return preparation.

- **Energy Services**

CHN improves the efficiency and safety of homes through whole-house insulation, energy-efficient appliances, lighting, and mechanical systems. CHN delivers these through partnerships with utility companies and public agencies.

- **Counseling & Education**

We offer counseling and classes in home ownership, financial literacy, digital literacy and workforce development opportunities to empower low-income adults and youth with the skills and knowledge to reach new achievements that encourage financial health and well-being.



Our operations include 166 full-time employees, a community-based Board of Directors, and an annual operating budget that typically ranges from \$22-26 million. Most CHN programs are self-sustaining through renewable grants and contracts and through income-generating lines of business. Each year we rely on key community partners and philanthropic gifts to help raise approximately 8-10% of our budget. We have received Charity Navigator's 4-star rating for 10 consecutive years—an accomplishment achieved by less than 1% of rated nonprofits.

Defining & Measuring the Problem/Issue CHN Seeks to Address _____

The Cleveland Housing Network (CHN) was formed in 1981 to address the growing number of homes left vacant by urban flight and the lack of quality, affordable housing for the low- and moderate-income families who remained in the city. This population loss resulted in declining neighborhoods, thousands of aging and substandard homes, and one of the highest poverty rates in the country (at nearly 37%).

Set against this background CHN joined with Cleveland's community development sector to rebuild neighborhoods, developing single-family homes and providing home ownership opportunities for low-income families. Over the next 30 years, we expanded to serve all vulnerable populations—developing over 5,000 multi- and single-family homes for low-income families, seniors, the disabled, and the chronically homeless.

While significant progress was made over the years, the national financial crisis had devastated some Cleveland neighborhoods—more than 10,000 homes were left vacant or abandoned; the city had amassed 70,000 foreclosures; and 67% of Cleveland households were struggling on incomes below \$25,000.

Today, these issues have made CHN more relevant than ever before. We are now using our capacity, expertise and alliances to rebuild thriving neighborhoods and foster resilient families in the City of Cleveland and surrounding areas. Our 5-year strategic plan outlines how we are using core strategies to achieve this:

- **Affordable Housing Opportunities** - CHN will be a partner of choice in addressing the affordable housing needs of Cleveland and surrounding areas.
- **Housing Stability for All Residents** - Integrated strategies will be in place to help all CHN clients achieve housing stability.
- **Housing Stability & Resident Success for CHN Residents** - CHN residents will achieve improved housing and economic stability.
- **Neighborhood Vitality & Partnerships** - CHN will engage in partnerships through which its core strengths and capacity can help address challenges facing our neighborhoods, the City of Cleveland and low-income families of Cuyahoga and surrounding counties.
- **Financial & Organizational Sustainability** - CHN will maintain and improve its long-term financial strength to make a significant impact.

In summary, the issue we seek to address is stated in our mission: To build strong families and vibrant neighborhoods through quality, affordable housing and strengthened financial stability for all.

Tracking our Progress _____

Measuring our Mission:

Does our work address our mission to “build strong families and vibrant neighborhoods through quality, affordable housing and strengthened financial stability”? Research shows stable, affordable housing is a key part of financial security. Individuals without stable housing inevitably do not have stable financial situations.¹ As such, in 2013 we set out to develop a set of financial indicators that would help us to determine whether we were building strong families. While we serve 30,000 families each year through many diverse programs, they all revolve around housing stability, allowing us to develop a succinct set of indicators across all programs we offer. These indicators, developed with the technical assistance of research experts from Enterprise Community Partners, include:

- Housing cost reductions
- Wealth/asset accumulation
- Housing stabilization

We will publish results of our first CHN-wide evaluation in early 2016. Moving forward, we plan to conduct this analysis each year thereafter to track our financial impact on the families we serve.

The second part of our mission, vibrant neighborhoods, is measured quantitatively by the investments we make in the neighborhoods and how those investments affect the areas we target. For example, after the foreclosure crisis CHN joined a collaboration called Opportunity Homes, a public-private partnership to stabilize neighborhoods most affected by the crisis. In all, CHN invested more than \$50 million in 6 highly targeted areas. Within 5 years, the collaboration impacted more than 700 properties through the rehabilitation of homes, reuse of vacant land, and demolition of blighted properties. Four of the six target areas saw property values grow more quickly than citywide rates.² The collaboration also helped to spur significant private development in at least two of the neighborhoods, with over 100 houses in one area, representing \$10+ million in private investments. The success of each neighborhood depended on multiple factors including cost viability of the homes, neighborhood marketability, and the power of anchor projects to act as a catalyst for stabilization. The results reinforce targeting of investments in neighborhoods that have assets on which to build.

Measuring our Programs:

CHN also measures individual programs. While we offer many, they can be categorized into 4 areas:

- **Housing & Home Ownership** - We have 1,000 residents in our lease purchase home ownership program. Since 2003, an additional 1,000 have purchased and become homeowners. Once they become homeowners, we track them for 5 years to ensure housing stability--to date, 99% have remained stable for the 5 years we track them post-purchase.
- **Housing Crisis & Income Supports** - Also known as safety nets & supports, these programs serve apx. 20,000 families each year. We maintain a 79% success rate in helping families avoid foreclosure and remain in their homes; a 96% success rate in helping families with a utility crisis to avoid the crisis; and since 2004, have helped families obtain \$17 million in tax refunds.
- **Energy Services** - Our energy and weatherization programs typically serve 7,000-8,000 households annually, reducing utility costs by up to 40%.
- **Counseling & Education** - These programs serve 1,500 annually. Of the more than 400 in our long-term counseling program, 41% have reduced derogatory debt by an avg. \$3,091 while 53% have improved credit scores and 21% have increased savings.

Learning & Adjusting

CHN continuously adjusts its work based on lessons learned. We are known for quickly ramping up programs—and creating innovative new ones—to address community needs. For example, currently we are conducting an evaluation study that will inform a new service integration model. The study, funded by Enterprise Community Partners, will determine what service combinations are most cost-effective to deliver while providing the largest benefits to low-income families. This study will be used to inform how we manage and deliver our services, and could result in significant internal changes to our delivery structure. This work is based on research that shows low-income individuals make significant gains towards economic stability when they access a bundled set of services. Families who receive integrated services are 3 to 4 times more likely to achieve major economic outcomes than those whose services were not bundled.³

1-*“Increasing Financial Well-being through Integration,” Corporation for Enterprise Development, May 2015.*

2-*“Targeted Neighborhood Stabilization: Lessons in Resilience in Weak-Market Cities,” Community Development Investment Review, Federal Reserve Bank, 2014.*

3- *Abt Associates, Pathways to Success: An Interim Analysis of Services and Outcomes in Three Programs, June 2009.*

Additionally, over the years CHN found that scale and impact could best be achieved through collaborative work—particularly forming partnerships to address new or existing community challenges. Our most recent and impact collaborations include:

- **Cuyahoga County Housing First Coalition (2003 - ongoing)** - This coalition, led by Enterprise Community Partners, has helped to drop chronic homelessness by 75% since 2006, according to annual point-in-time counts. CHN develops permanent supportive housing projects for the coalition to help achieve the goal. Other operating partners include EDEN Inc., Frontline Service and Care Alliance.
- **City-wide Year 16 CDC Initiative (2012 - ongoing)** - CHN and its partner Cleveland Neighborhood Progress led the financial stabilization of 700 affordable homes that are owned and operated by local CDCs. Other partners included Cleveland Neighborhood Progress, City of Cleveland, Enterprise Community Partners, Ohio Housing Finance Agency, National Equity Fund and Neighborhood Housing Services.
- **Cuyahoga County EITC Coalition (2004 - ongoing)** - Over \$45M in the Earned Income Tax Credit has come back to low-income families through this coalition led by Enterprise Community Partners. CHN has built the capacity to become the largest (and only) year-round free EITC tax site in Ohio.
- **Cuyahoga County Foreclosure Prevention Coalition (2006-ongoing)** - Over 5,000 homeowners have avoided foreclosure as a result of this coalition, led by the county. CHN has built extensive capacity and expertise to consistently achieve the best client outcomes in the coalition.
- **Connect Your Community (2010-2012)** - CHN joined OneCommunity in this digital literacy project to reach 25,000 low-income families nationwide. CHN coordinated 20 sites in Northeast Ohio to achieve 32% of the national goal (8,000 trained/6,000 connected to broadband).

Using Third-party Evaluations to Validate Results _____

Third-party evaluations are used on a regular basis at CHN, initiated by both CHN and by third parties. As the nation's largest single-family affordable housing developer, CHN often receives requests from various stakeholders to evaluate our work.

For example, currently the University of North Carolina is conducting a 2-year study on families who are part of our flag-ship, the Lease Purchase Program—a 15-year pathway to home ownership for low-income families who could not otherwise afford to purchase a home. Funded by JPMorgan Chase, the study will follow a subset of our 1,000 families for two years as they participate in intense financial counseling to achieve new levels of self-sufficiency. The study will look at the qualitative and quantitative impact of our housing program as well as our counseling work.

Additionally, many of our programs are evaluated by third parties—some on an annual basis. For example, our Foreclosure Prevention Program is evaluated (and published) annually by Cleveland State University. Our work in the EITC Tax Preparation is evaluated annually by Enterprise Community Partners. And many of our energy services programs are evaluated by the associated utility company.

CHN is now broadening its evaluation work to look at the impact on the 30,000 families we serve each year, across all programs. The analysis, conducted by Policy Lab, University of Wisconsin, will look at extensive data on all of our clients to answer the questions:

- What program combinations provide the largest impact for our clients?
- Do multiple services help families to avoid future crises?
- Are CHN's residents better off since moving into CHN housing?
- What factors contribute to the success of our residents?
- Does the data show any positive or negative unintended or unexpected outcomes?

Our move to a more comprehensive approach began in 2013, through our 5-year strategic plan, where CHN formally committed to move to an outcomes-based focus for all of our work. The plan places a deep emphasis on effective partnerships, using CHN's housing affordability platform to leverage and maximize positive outcomes for families and the neighborhoods where they live.

Constituent Voice ---

Many of CHN's various programs collect and analyze client feedback through phone or mail surveys. While they may not all follow rigorous (i.e., statistical) collection methods, we typically have an 80% or greater response rate for each program surveyed. The client determines whether the survey is anonymous.

Additionally, CHN has a Resident Advisory Council (RAC) that was established to empower its residents to become directly involved with CHN's programs and services. The RAC meets bi-monthly to provide residents with a non-threatening open forum to communicate issues and concerns to CHN. The RAC forum also gives residents the opportunity to discuss planning and program structure of CHN's policies and services. The RAC elects two individuals to serve as a resident representative of CHN's residents to the Board of Directors.

Because CHN serves 30,000 households each year, we do not report back to all constituents or follow up after one year unless requested by the client, or unless there are particular issues that need to be addressed. (The exception is with several programs, where we follow up periodically to collect data specifically associated with the program or service that was used.)

Published Evaluation Reports ---

Most program-related evaluations are published annually by the evaluator (e.g., foreclosure prevention, EITC tax prep). In 2010, CHN also conducted and published a report that evaluated CHN's economic contribution to the City of Cleveland. In 2015 CHN will publish another evaluation report—conducted by Policy Lab, University of Wisconsin, that analyzes the impact of our work on our clients. Both studies, conducted by third-party research analysts, are based on recognized techniques in statistical evaluation.