

Capital Region Housing Corporation's Family Self-Sufficiency Program: FACT OR FICTION

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Acknowledgements

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Purpose of the Family Self-Sufficiency Pilot Program

- The Family Self-Sufficiency (FSS) Program is a voluntary education, employment and savings incentive program for low-income families residing in CRHC's units.
- Participants are given the tools, skills and encouragement to make lifestyle choices to become economically self-sufficient in 3 years.
- Key program components include supportive case management services and matched savings.

Global Evaluation Goals

- Measure the effects of the program on employment and income for participants, as well as the costs and benefits of the program to funders and government agencies.
- Learn, innovate and improve the program as it evolves.

Specifically, Evaluate the Extent to Which the FSS Program Has:

- Identified the strengths and barriers of FSS families
- Assisted in setting financial, personal, educational and employment goals
- Linked families to community resources
- Provided the opportunity to obtain skills necessary to access better paying jobs and to retain employment
- Assisted participants with accumulating savings to realize goals and cushion against future income fluctuations or job loss
- Identified gaps in existing resources - created solutions
- Supported families with their successes and set backs

Evaluation Methods and Data Sources

- Income and residency data from the CRHC database for both the participant group and the control group;
- Self-administered annual surveys of participants;
- Interviews with staff;
- Exit interviews with participants;
- One-year post completion interviews with successful graduates;
- Program costing reports and other publications to determine the costs and benefits of the program; and
- Analysis of MLS data on home sales and values.

Participant Profile

- Staggered intake starting in 2003
- 29 participants in total
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- Most have lived in CRHC over six years
- 79% are single parent families
- The average family has 2 children, with a head of household who is approximately 40 years of age
- 21% have previously declared bankruptcy
- Self-reported physical and/or mental health issues are not uncommon (17-28%)
- 28% have not continued beyond high school education

PROCESS EVALUATION

What happened along the way?

Identified The Strengths And Barriers In The Lives Of The Families

- Participants affirmed that the FSS program builds strength and hope
- Two parent families were better able to meet their goals than single parent families
- Over time, at least half the group admitted to undisclosed barriers, with "hidden" mental illness a significant factor
- Participants affirmed that help with overcoming barriers (in the form of good referrals and advocacy) was critical to their success

"I find it difficult to ask for help."

Assisted Families In Setting Goals And Monitor Their Achievement

- The coordinator encouraged participants to take responsibility for their goal setting.
- Goals were developed in areas such as Finances, Personal Issues, Health, Education and Employment.
- Interim goals reflected a wide variety of interests, skills and necessary first-steps.
- Given the changing market, the goal of homeownership became out of reach for some participants. The coordinator helped show them that market rental was a viable goal and a real success.

Samples of Participants' Interim Goals

Employment Goals

- Find work
- Update resume
- Obtain full time employment
- Get part-time job
- Find better employment
- Maintain current employment
- Expand client base
- Get security check
- Increase hours of work

Education Goals

- Attend College
- Attend Short Workshops
- Explore Career Options
- Obtain Trade Certificate
- Complete ESL
- Obtain GED
- Take Entrepreneur Training
- Obtain Graduate Degree
- Obtain Membership In Professional Association

Samples of Participants' Interim Goals

Health Goals

- Improve Health/Wellness
- Make Medical Appointments
- Get Medical Help For Family Members
- Improve Stress Management
- Get Surgery
- Get Physiotherapy

Financial Goals

- Debt Repayment
- Research Student Financing/Bursaries
- Attend Credit Workshop
- Apply For Day Care Subsidy
- Deal With Income Tax
- Deal With Income Disruption Due To Job Loss
- Apply For Income Support

Interim Goals: Checking In

- The vast majority of the participants who were involved in the program partially or fully met their interim goals. This applied to all areas – housing, education and employment.

"I appreciate having goals [completing training, finding employment, and increasing savings account] - completing those raises my self-esteem because I feel accomplished and motivated to obtain more successes!"

Identify Community Resources And Link Families With Them To Achieve Their Goals

- Most advocacy and referrals in areas of:
 - Education (75%)
 - Employment (65%)
 - Health (35%)
 - Housing (20%)
 - Counselling (15%)
- The Coordinator was able to get needed services for participants. This was evidenced by the declining requests for both referrals and advocacy services over time.

"The best thing about the program is MARY! We have a tremendous appreciation for all her many efforts on our behalf."

Assist With Accumulating Savings

- The FSS Program included a change in housing policy. Normally, as your income increases so does your housing payment. The Program set aside the "extra" housing payment in a separate account and agreed to match all savings up to \$xxx.

- Escrow accounts provided motivation both to earn and to save.

Example:

- Earn \$2,000, pay 35% rent=\$700/mo
- Earn \$3,000, should pay 35% rent (\$1,050), but only pay \$700/mo and save \$350/mo

Identify Gaps In Existing Resources And Create Solutions

- Use of funds for debt vs. down payment
- Find creative ways to increase supply of affordable ownership product (selling off CRHC single family housing to FSS families at below market value)

"Looking forward to being in my own home in a better neighbourhood gives me hope."

Assist with Home Ownership Education and Purchase

- Partnered with The Home Program to provide home ownership education and down payment assistance as a requirement of FSS program graduation.
- See www.HomeProgram.ca

Success Factors Identified by FSS Participants

- ✓ Stable Rent
- ✓ Advocacy/ Access To Services
- ✓ Individual And Group Support
- ✓ Education And Information
- ✓ Financial Rewards
- ✓ Flexibility
- ✓ Child Care
- ✓ Establishing Direction/Goals
- ✓ Establishing Sense Of Community and Connectedness
- ✓ Openness To Learning And Change By All Stakeholders And Participants
- ✓ Patience

Possible Implications and Suggestions for Improvement

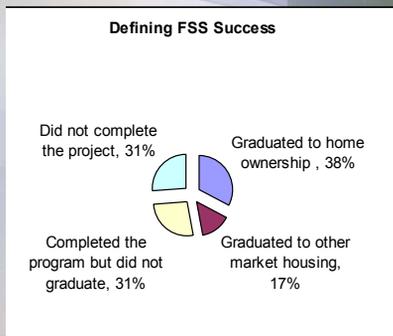
- Clarify or Verify Outcomes for the Program – Did we set the bar too high?
- Revisit Length of Time It Will Take to Achieve Self-Sufficiency
- Review Escrow Contribution Policies
- Improve CRHC Responsiveness Regarding Existing Units
- Look at Building Affordable Housing Units to Increase Supply
- Develop an Emergency Fund

OUTCOME EVALUATION RESULTS

What happened?
Who benefited?

OVERALL PICTURE

55% of FSS program participants left CRHC for market accommodation (owned or rented) compared to 2% of the control group



Did Families Feel they were Better Off Having Participated In The Program?

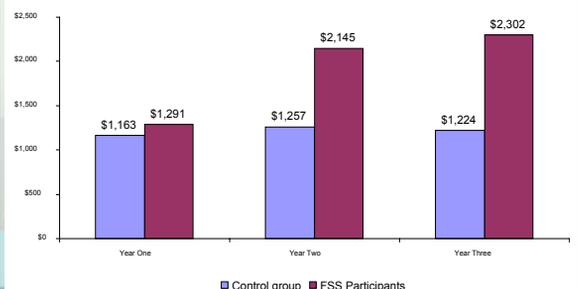
- ✓ Creation of Hope
- ✓ Sense of Direction
- ✓ Enhanced Self-Esteem of Participants and their Children
- ✓ Strengthened Family Unity
- ✓ Positive Impact on Children
- ✓ Positive Change in World View
- ✓ Increased Knowledge
- ✓ Increased Savings

"Everyone is working for the same future goal; we're on the same team."

How did Participants Compare to Control Group Over Three Years?

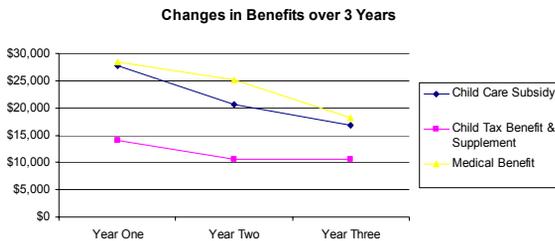
- FSS participants' total monthly income rose 78% compared to 5% for the control group.
- FSS participants' reliance on wages increased from 59% to 76% compared to a slight decline for the control group
- FSS participants' reliance on government sources of income (e.g. Alberta Works, Employment Insurance, AISH) decreased, while reliance on public funds remained constant for the control group

Average Monthly Income - Annual Comparison of FSS and Control Group



Reliance on Government Benefits

- FSS participants reliance on government benefits decreased between 39% and 25%



Changes in Savings and Assets

- FSS participants' non-housing assets doubled over three years from \$5,200 to \$10,482
- Eleven FSS graduates purchased homes, leveraging an average mortgage debt of \$190,216.
- FSS participant home owners had average assets of \$231,336 and average debts of \$198,353 - a net positive balance of \$32,983, not including equity appreciation in their home.
- FSS families that managed to purchase before 2007 saw their homes appreciate by an average of 30% or approximately \$49,445 per household.

Approach to a Return on Investment (ROI) Calculation

- Focus is the **BENEFIT** created by the program
- Approach used to quantify the cost of accessing income support, training, subsidized housing, and employment and educational services over time.
- Identified each partner's "stake".
- Worked very closely with government partners to ascertain the cost per client.
- Where ever possible, "global" costs (the total cost of providing the service, not what the student pays or the face value of the cheque), were used.

FSS SROI Benefits

Individual Participants: Benefits Sought

- Increased employment income
- Increased medical/health benefits received
- Increased savings
- Increased equity (home ownership)

FSS Benefits: CRHC & Government

- **Capital Region Housing Corporation**
 - Turnover of units
 - Meeting the mission of self-sufficiency for tenants
- **Various Levels of Government**
 - Reduced government transfer payments
 - Reduced reliance on government benefits
 - Increased taxes (income, property)

FSS Costs Tracked for SROI

- **Direct Program Cost**
- **Matched Savings Amount**
- **Education and Training Costs**
- **Subsidized Housing Costs**

FSS Net Benefits

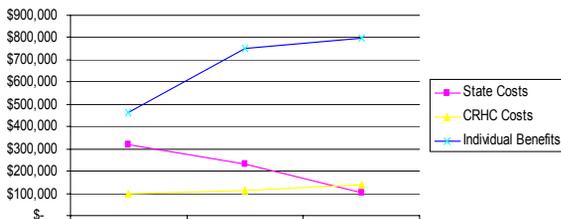
INDIVIDUAL BENEFITS	3 YEAR TOTAL
Employment Income Received	\$ 1,594,344
Income Support Received (SFI, EI, AISH, Student Finance)	\$ 303,697
Benefits Received (Medical, Child Tax Credit, GST Credit)	\$ 172,089
Less Paid Education and Training Costs	\$ (33,289)
Less Income Tax Paid (Combined Provincial and Federal)	\$ (231,409)
Personal Savings	\$ 147,835
Matched Savings (Escrow Contribution from CRHC)	\$ 55,668
Total Benefits Individual	\$ 2,008,935

FSS COSTS

STATE COSTS	3 YEAR TOTAL
Income Support Provided (SFI, EI, AISH)	\$ (303,697)
Benefits (Medical, Child Tax Credit, GST Credit)	\$ (172,089)
Education and Training Costs	\$ (37,154)
Less Taxes Received (Combined Provincial and Federal)	\$ 231,409
Social Housing (Net Subsidized Portion of \$410/mo/unit)	\$ (373,100)
Sub-total State Costs	\$ (654,631)
CRHC COSTS	
FSS Program Cost	\$ (300,000)
Escrow Contribution	\$ (55,668)
Sub-total CRHC Costs	\$ (355,668)
Total Cost to State and CRHC	\$ (1,010,299)

Benefits and Costs Over Time

Comparison of Benefits and Costs Over Three Years



Final Calculation (Simplified)

NPV Benefits $\$ 1,884,819$

NPV Costs $\$ 957,596$

SROI (Benefits/Costs) 2:1

In English, "for every \$1 invested generated \$2 in benefit" a return of 2:1

Major Benefits

- Higher income from wages;
- Reduced dependence on government sources of income and benefits;
- Increased personal savings;
- Increased personal tax paid; and
- Reduced reliance on social housing.

VERY CONSERVATIVE APPROACH

- SROI calculation is a very conservative estimate of the value created by the program. It does not capture quantifiable benefits such as municipal property taxes, cost of damaged units or lost rental revenue due to vacancy loss/cost of eviction, etc.
- The net benefit also excludes more difficult to measure impacts such as the inter-generational value of families leaving public assistance and social housing or the value of education and training on expected life-time earnings.

How Do We Stack Up?

- Context of other U.S., FSS programs that used highly rigorous evaluation methods
- Similar patterns from programs that have now been running, and evaluated, for over 25 years
- All programs focus on families in public housing, but include variations regarding the use of escrow funds, matching rates, program duration, etc.

Mid Iowa Community Action Demonstration Program

<http://www.acf.dhhs.gov/programs/cse/rpt/rth/mid-iowa.htm>

Evaluation Period	1989 – 1991
Size of Evaluation	338 families from 12 counties
Evaluation Method	Quasi-experimental design with 2 control groups over 15 months
Key Results	<ul style="list-style-type: none"> • After 15 months there was no statistical difference in the mean amount of public subsidy received per family across the 3 groups. • FSS families had statistically significant higher scores on self-esteem, problem-solving skills, locus of control and quality of social networks.

Gateway Transitional Families Program

http://www.fanniemae.foundation.org/programs/hpd/pdf/hpd_0801_rohc.pdf

Evaluation Period	1989 – 1995
Size of Evaluation	224 families from 12 counties
Evaluation Method	Quasi-experimental design with 1 control group over 6 years
Key Findings/ Results	<ul style="list-style-type: none"> • The program had a 32% retention rate • 93% of those that finished the program had full employment after 2 years, with graduates making 22% more per hour than the control group • Graduates had statistically significant decreases in reliance on public subsidies. • Program graduates were six times more likely to own a home • Genuine self-sufficiency was unrealistic in two years – 27% of graduates continued to use food stamps.

Young Lake Commons Program

Evaluation Review, Vol. 26, No. 5 October, 2004

Evaluation Period	1998
Size of Evaluation	238 families from 3 communities
Evaluation Method	Quasi-experimental design with 2 control groups over 3 years
Key Results	<ul style="list-style-type: none"> • During the program, participants were significantly more likely to increase incomes than control group members • FSS families were almost twice as likely to leave public housing - most to home ownership. • The program helped those most likely to be able to leave public housing.

HUD Family Self-Sufficiency Program

<http://www.huduser.org/Publications/pdf/selfsufficiency.pdf>

Evaluation Period	1996 - 2000
Size of Evaluation	52,350 families from 1,400 FSS programs
Evaluation Method	Summative, including 1 control group
Key Results	<ul style="list-style-type: none"> • 42% completion rate • FSS families had statistically significant higher income and reduced dependence on income subsidies than control group • 46% took more than 4 yrs to complete • 37% had median escrow accounts of \$3076, while 43% received median disbursements of \$3351 along the way

Diamond in the Rough: The Remarkable Success of HUD's FSS Program

www.partnerships.org

Evaluation Period	2004
Size of Evaluation	550 graduates from 19 FSS programs
Evaluation Method	Descriptive analysis of "success stories"
Key Results	<ul style="list-style-type: none"> • Increases in average earnings among graduates ranged from \$9,500 - \$20,000 per year • Average assets among graduates ranged from \$2,515 to \$9,637 • One-third of graduates used escrow funds for home ownership

Conclusions

- FSS participants are clearly better off, enjoying better income, housing, life satisfaction and family life
- CRHC has been able to realize some of its strategic goals of turning over units (housing more families with its limited housing resource) and helping tenants overcome barriers to self-sufficiency
- The state has realized cost savings due to reduced reliance on public programs.

Conclusions

- Without this type of program, comparable families are unlikely to leave CRHC unless they are evicted.
- The availability of a goal-oriented, supportive program such as the FSS program, appears to be critical to the pursuit of self-sufficiency for tenants of social housing.

- Mary's hand outs and exercises...
- Case studies
- Photos?
- More quotes?

What's the Goal and How are We Going to Get There?

	<u>Baseline</u>	<u>Year 3</u>
Income Per Year	\$38,000	
Average House Price	\$167,000	\$ 246,000
Income Needed to Qualify (35%)	\$ 58,450	\$ 86,100
Shortfall	-\$20,450	-\$48,100