
Jobs-Plus Demonstration

*An Employment Initiative for Public Housing
Residents*

Final Results

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Origins of Jobs-Plus—Poverty and Place

- **A *place*-based, *work*-focused response (designed in late 1990s) to critical problems in public housing:**
 - Growing *concentration* of joblessness, underemployment, welfare receipt, and poverty
 - Related social problems—e.g., safety, quality of life
 - Added fear: *welfare reform* (time limits on federal cash aid) would hurt public housing—less money available to residents to pay rent

A “Demonstration” Project

- **Conceived** by HUD, Rockefeller Foundation, MDRC
- Supported by **multiple funders**—public and private
- **Goal:** Conduct rigorous, multi-site test of this innovative strategy to determine: “Does it work?”
- **6 Sites:**
Baltimore, Chattanooga, Dayton, Los Angeles, St. Paul, Seattle
- **Local partnerships adapted & implemented the model:**
(a) PHAs; (b) welfare agencies, (c) workforce agencies,
(d) residents, (e) other service agencies

Jobs-Plus Model: Attack Multiple Impediments

➤ **3 Components:**

1. Employment and training services

Convenient on-site “job centers”

2. New rent rules to “make work pay”

Rent rises *less* as earnings grow

3. Community support for work

Neighbor-to-neighbor outreach; sharing work info.

➤ **“Saturation-level” outreach**

- Aimed at *all* working-age residents

Jobs-Plus Timeline

- 1997:** Site Selection
- 1998:** Program launched, but only partially
- 2000:** All 3 components in place
- Dec. 2003:** Demonstration operations end
(but program continued in some sites)

1998-1999 = “Roll-out” period

2000-2003 = Main follow-up period

Evaluation Questions

- (1) **Can it be implemented well**—what does it take in real-world settings? Lessons for replication?
- (2) Does it **help residents** over time—even if they move out? (“Launching pad” concept)
- (3) Does it **improve the “place”**— i.e., increase prevalence of work/earnings & improve quality of life?

Evaluation Design

- **Within each of the 6 sites:**
 - **Random assignment of whole developments—to establish counterfactual**
 - **Interrupted time-series analysis using admin records 4-6 years before / 6 years after start of Jobs-Plus (1992-2003)**
- **Resident survey (2 waves:1998 and 2003)**
- **On-site field research (1997-2003)**

Site Variation in Implementation (1)

➤ 3 “stronger implementation” sites:

Dayton, Los Angeles, and St. Paul

- Offered full Jobs-Plus “package”
- Strong Housing Authority commitment
- 3 of 4 residents took advantage of services, rent incentives
- Infused development with self-sufficiency message

Site Variation in Implementation (2)

➤ **2 “weaker implementation” sites:**

- **Baltimore:** --Minimal incentives use/poor administration
--Retrenchment in services and funding
--Changing PHA leadership/priorities
- **Chattanooga:** -- Floundered;
-- Housing Authority attention diverted
by plans to privatize management
--“Incentives-only” in 2002 (but low use)

➤ **A HOPE VI site (grant to tear-down/rebuild):**

- **Seattle :** -- strong start
-- disrupted by relocation/reconstruction

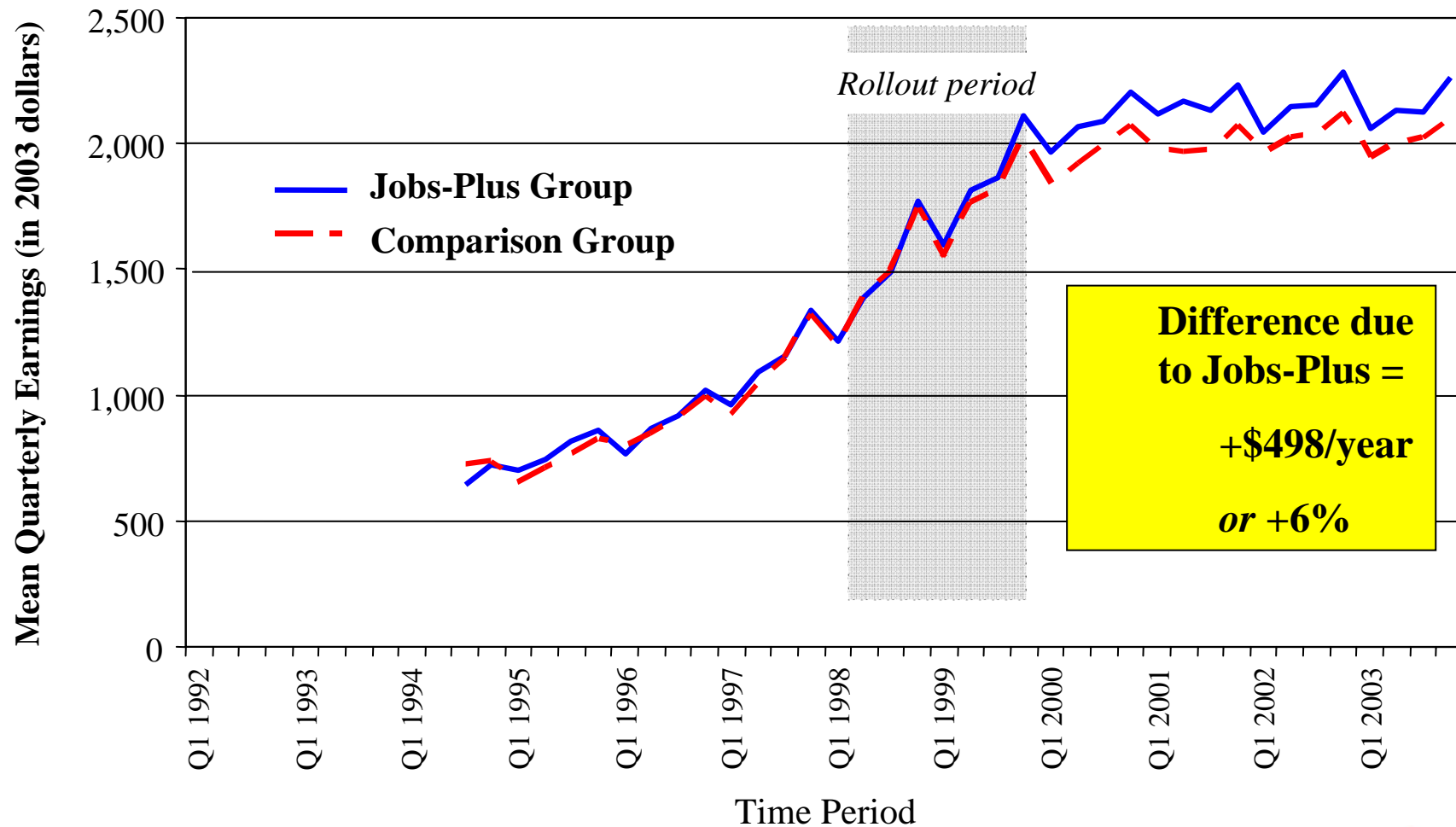
1998 Cohort = Focus of Impact Analysis

- All **nondisabled working-age** residents
- Living in Jobs-Plus or comparison developments in **October 1998**
- Includes **recent arrivals and longer-termers** in 1998
- Includes those who **moved or stayed** after 1998

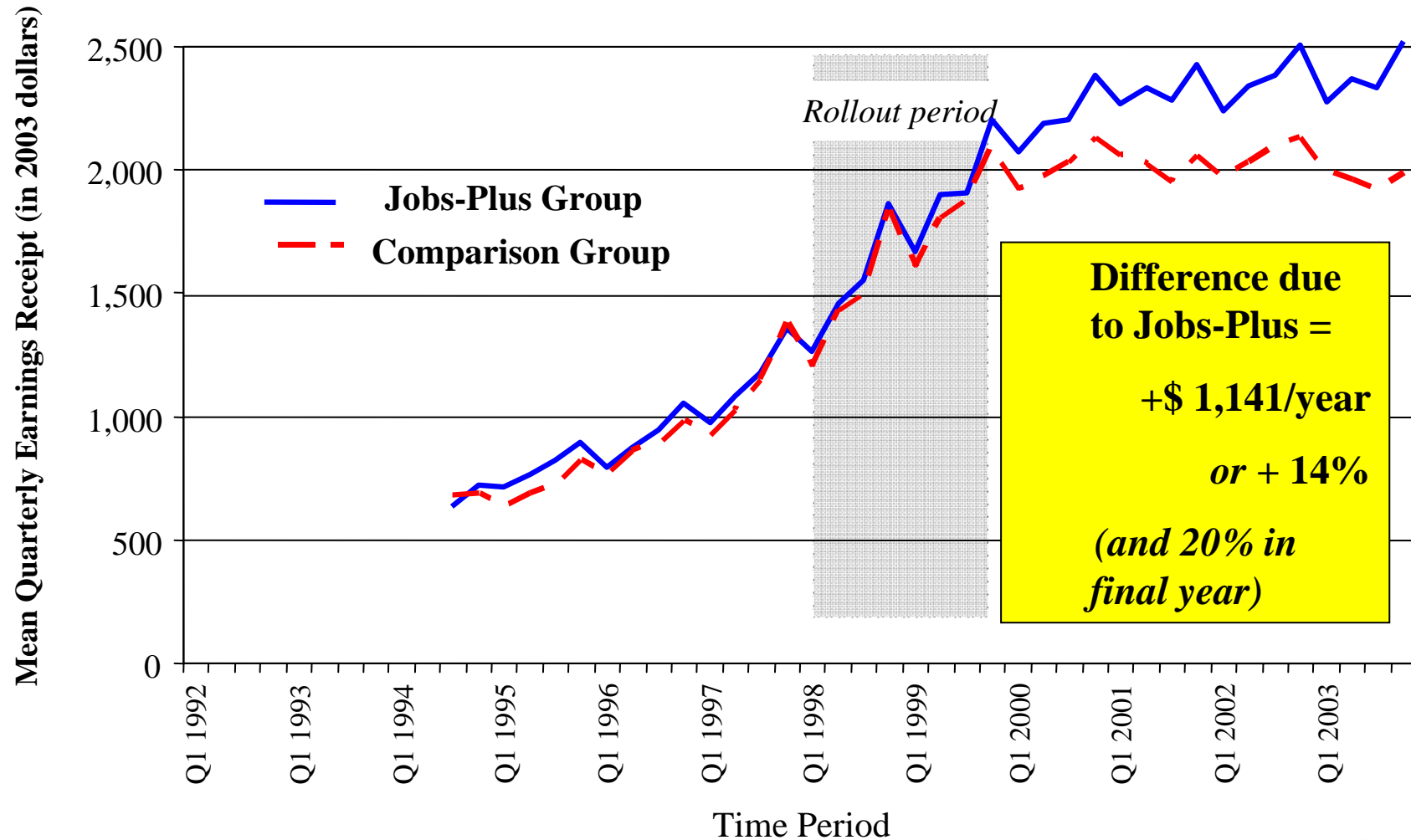
• *Sample size:*

<u>Program</u>	<u>Comparison</u>	<u>Total</u>
2,123	2,651	4,774

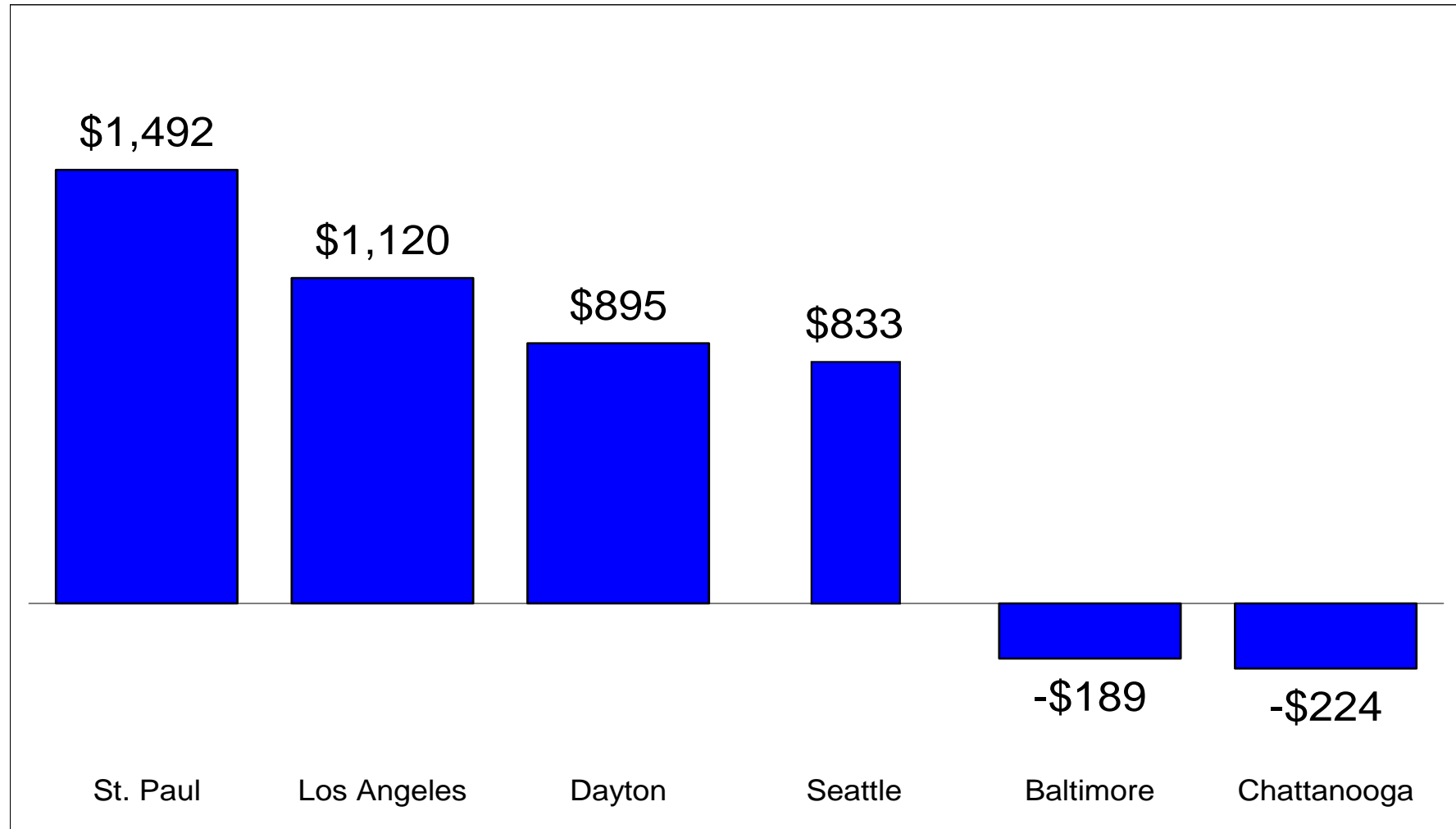
Pooled Average Quarterly Earnings for the 1998 Cohort (*All Sites*)



Pooled Average Quarterly Earnings for the 1998 Cohort (*Stronger Implementation Sites*)



Impacts on Average Earnings Per Year, by Site (2000-2003)



Earnings Impacts for Subgroups

Subgroup	Per Year (2000-2003)	
	\$	% Change
<i>Stronger Implementation Sites:</i>		
Non-TANF Group	1,654	18%
TANF Group	761	11%
<i>Dayton Only:</i>		
Black women (non-Hispanic)	1,144	16%
<i>Los Angeles Only:</i>		
Hispanic men	3,248	28%
Hispanic women	649	10%
<i>St. Paul Only:</i>		
S.E. Asian men	2,129	21%
S.E. Asian women	1,798	13%

Cumulative Earnings Gains

- **\$4,564** *per targeted resident* over 4 years (i.e., averaged over all workers *and* non-workers)
- **\$5,961** *per worker* over 4 years (i.e, averaged over targeted residents who *ever worked* during follow-up period)
- Earning gains still accumulating after study ended

Other Observations

- **Earnings impacts were associated with use of rent incentives**, but “package” (*services + incentives + supports*) mattered too
- **Smaller impacts on employment rates overall, but substantial for some subgroups**; Jobs-Plus thus helped different types of residents in different ways.
- **Welfare receipt dropped substantially for residents in Jobs-Plus and comparison development**—following national trends (not due to Jobs-Plus)

Costs and Benefits

➤ Residents financially better off

Continuing gain in **earnings...**

plus substantial **rent savings**

plus possibly an increase(?) in use of **EITC**

plus help with some **work expenses**

plus no further losses in **welfare payments**

= **More income/lower poverty**

➤ Gov't cost per 1998 cohort member:

Possibly \$2,000-\$3,000 total over 4 years (net)

Development-Level Findings

- **Individual-level impacts yielded earnings gains for developments** where resident mobility low
- **Most dramatic change in employment/earnings levels in developments occurred *before Jobs-Plus*** (before our 1st survey)—thus, weaker test of “*employment change → community change*” hypothesis
- **Subsequent (smaller) increases caused by Jobs-Plus** did not produce changes in community outcomes during observation period.

Policy Implications

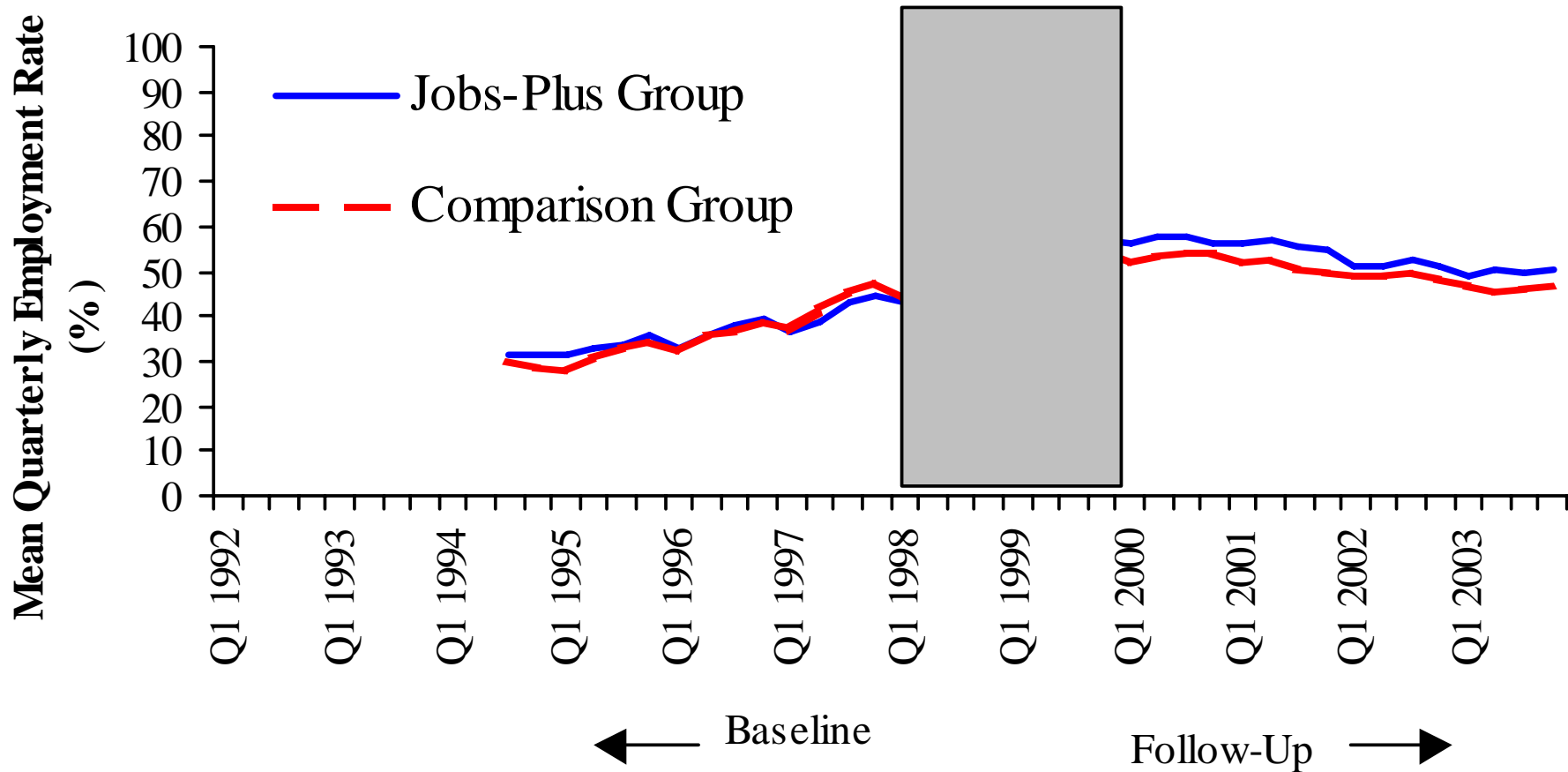
- **PH residents respond to work opportunities**
- **PH can be platform for self-sufficiency**, in partnership with welfare and workforce agencies
- **Replicating Jobs-Plus at scale** is feasible with HUD and local Housing Authority commitment; consider staged rollout (e.g., 25 locations) as next step
- **Rent incentive provisions of 1998 housing law** should be preserved, enhanced, simplified; marketed

Supplementary Exhibits

Overall Earnings Impacts

Average Earnings <i>Per Year</i> (2000-2003)				
	Average <i>with</i> Jobs-Plus	Average <i>without</i> Jobs-Plus	Jobs-Plus Impact (“Added value”)	% Change due to Jobs-Plus
All Sites	\$8,546	\$8,048	\$ +498	+6%
Stronger Sites	9,228	8,087	+1,141	+14%
<i>Stronger sites— FINAL YEAR</i>	9,443	7,900	+1,543	+20%

Pooled Average Quarterly Employment Rate for the 1998 Cohort (*Stronger Implementation Sites*)



Smaller Employment Impacts

Average Quarterly Employment Rate <i>Per Year (2000-2003)</i>				
	Average <i>with</i> Jobs-Plus	Average <i>without</i> Jobs-Plus	Jobs-Plus Impact (“ <i>Added value</i> ”)	% Change due to Jobs-Plus
All Sites	53%	52%	+1 pp	+2%
Stronger Sites	54%	49%	+5 pp	+9%
<p><i>But:</i> Stat. sign. impacts on employment rates for <i>some subgroups</i>. For example:</p> <p>Dayton—Black women: + 5 pp***</p> <p>LA—Hispanic men: +11 pp***</p> <p>St. Paul: Southeast Asian women: +13 pp***</p>				

Development-Level Employment Rates

(Jobs-Plus Developments Only)

	Percentage Employed <i>(in Quarter 3 of Specified Year)</i>		
Site	<u>Before JP</u> 1994	<u>At JP Start</u> 1998	<u>End of JP</u> 2003
Baltimore	27	42	43
Chattanooga	52	70	52
Dayton	44	61	62
Los Angeles	35	46	53
Seattle	24	52	58

Development-Level Earnings Impacts

Stronger Implementation Sites

	Average Annual Earnings Impact, 2000-2003	
	\$	% Change
Dayton	+584	+9%
Los Angeles	+1,581	+23%
St. Paul	+1,384	+15%

Development-Level Welfare Rates

(Jobs-Plus Developments Only)

	Percentage Receiving AFDC/TANF <i>(in Quarter 3 of Specified Year)</i>		
Site	<u>Before JP</u> 1994	<u>At JP Start</u> 1998	<u>End of JP</u> 2003
Dayton	66	44	24
Los Angeles	41	28	17
St. Paul	74	65	29

Community-Change Measures

2 Cross-Sectional Resident Surveys (1998 & 2005)

Key Domains :

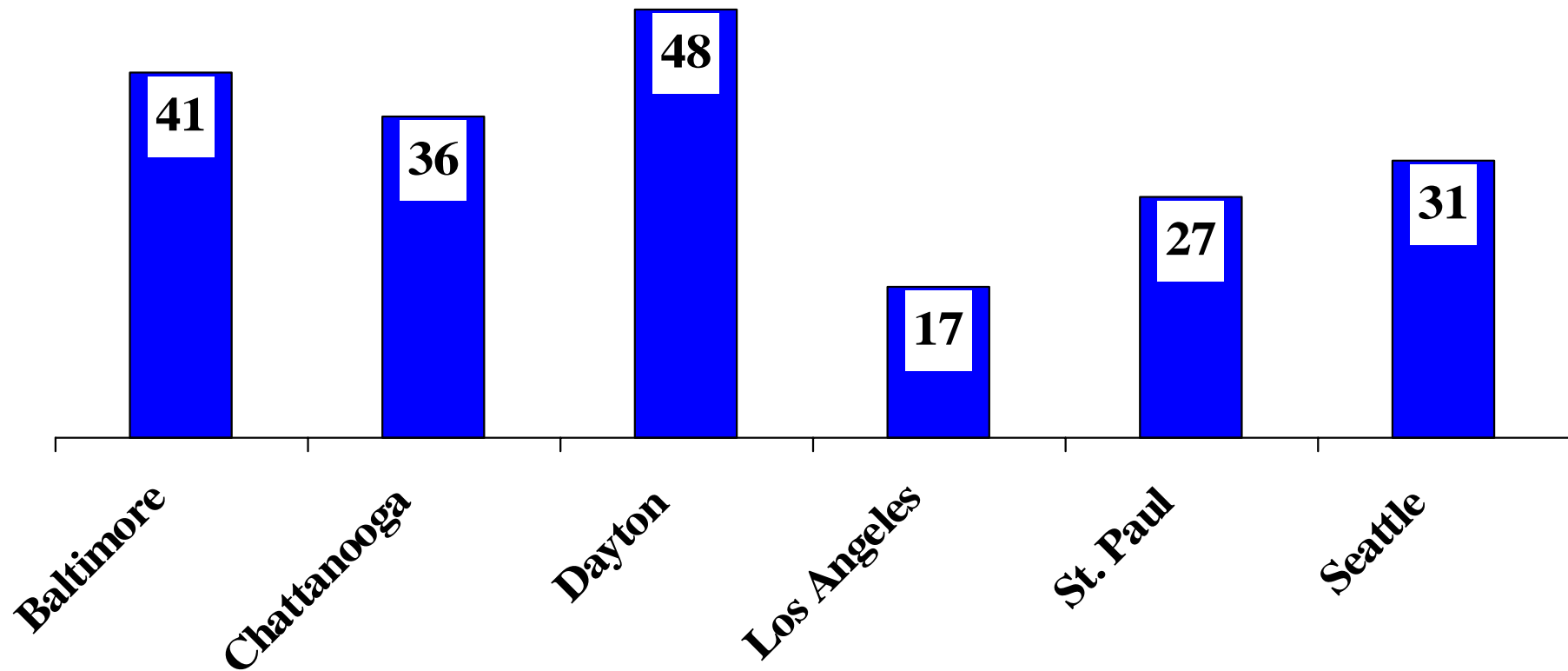
- **Economic and material well-being**
- **Social capital** (“supportive” and “leverage”)
- **Perceptions of safety; personal victimization**
- **Social disorder** (drugs, gangs, guns, outsiders causing trouble → “big problems?”)
- **Residential satisfaction**

Implementation Lessons

- **Challenging but feasible to implement**
 - Took over 2 years; eventually operated well in 4 of 6 sites
- **Linked tenancy with “work message”**
- **PHA commitment** was key
- **Collaboratives endured/helped**—but early problems with *shared governance* and *resident empowerment*
- **Many residents took advantage of program** – 3 of 4 touched overall by services or incentives
- **Much *informal* connection**; “taking advantage of place”
- **High mobility + late start**: diluted exposure

Mobility Affected Exposure to Jobs-Plus

2-year move-out rate for 1998 cohort (%):



Cost to operate Jobs-Plus — “Guestimates”

(On-Site Costs Only; Services + Rent Incentives)

➤ **For budgeting:**

- Gross cost: \$1,800 per person for *full year*
- Net (above control group):

If assume Cs=20%: Net = \$1,440 resident/year

If assume Cs=40%: Net = \$1,080 resident/year

➤ **Cost per 1998 cohort member** (*takes account of moving out*):

- Possibly \$2,000-\$3,000 in total over 4 years (net)

➤ **Replication costs:** Influenced by economies of scale; rate of resident turnover; nature and duration of incentives use, and other factors.