

Raising Hope with Jobs-Plus
Promoting Work in Seattle Public Housing
During a HOPE VI Redevelopment

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Overview

This report is the final in a series on MDRC's evaluation of the Seattle site of the Jobs-Plus Community Revitalization Initiative for Public Housing Families (Jobs-Plus), a national demonstration project testing a new employment program for public housing residents. Based in the city's Rainier Vista housing development, Seattle Jobs-Plus was distinctive because it came to operate the community and supportive services component of the housing authority's HOPE VI initiative to tear down and rebuild the development as a mixed-income neighborhood. Rainier Vista was also the most ethnically diverse of the six housing developments operating Jobs-Plus. Its tenant population, which included many East African and Southeast Asian immigrants, spoke no fewer than 22 languages.

Jobs-Plus combines on-site employment-related services, new rent rules to allow residents to keep more of their earnings, and a neighbor-to-neighbor outreach strategy to share information about employment opportunities. The program is targeted toward *all* of a housing development's working-age, non-disabled residents.

Although selected as a Jobs-Plus site in 1997, Seattle's receipt of a HOPE VI grant two years later introduced a unique and potentially confounding feature to that site's program. Because Seattle Jobs-Plus continued to operate in a modified form, MDRC continued evaluating it but with a scaled-back research design. This report describes the program's effects on residents' employment and earnings.

Key Findings

- Before the HOPE VI relocation and demolition process was fully underway, Seattle implemented a strong Jobs-Plus program with good results. In the first year of full program operations, residents' earnings were about 7 percent higher than they would have been in the absence of Jobs-Plus. This effect grew to nearly 11 percent (a gain of \$1,050) in the following year.
- Seattle's positive earnings impacts were comparable to the early impacts of three other Jobs-Plus sites that implemented relatively strong programs.
- Under HOPE VI, the responsibilities of Seattle Jobs-Plus expanded to include assisting all residents (including elderly and disabled residents who were not in the Jobs-Plus target group) with social service and relocation needs, which competed with the core employment focus of Jobs-Plus.
- Seattle Jobs-Plus's positive earnings effects disappeared around the time the site's HOPE VI resident relocation process was fully underway. In contrast, the other Jobs-Plus sites with strong programs had sustained and growing earnings effects.
- In Seattle, as in all the sites, the estimated effects of Jobs-Plus on employment rates are less striking than those for earnings. Although Jobs-Plus increased employment rates for some residents, for many others it achieved its earnings effects by improving employment retention, hours worked, or job quality.

The Seattle findings show that a program like Jobs-Plus can be effective in a very diverse public housing community. However, they also caution that the disruptions associated with a large-scale HOPE VI resident relocation process can undermine the program's effectiveness. Perhaps Seattle Jobs-Plus could have sustained its promising early effects on earnings if it had continued — at least for a time — its intense employment-focused assistance and rent-based work incentives for residents who moved out of the development during the period of mass relocation.

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Preface

Earlier this year, MDRC published the results of a multi-year evaluation of the Jobs-Plus Community Revitalization Initiative for Public Housing Families (Jobs-Plus), an ambitious employment program inside six of the nation's poorest inner-city public housing developments. The study found that Jobs-Plus markedly increased the earnings of residents in the sites where it was implemented well. This report tells the story of one of those sites — Seattle's Ranier Vista development, a very diverse community made up predominantly of immigrants and refugees.

Like three of the other Jobs-Plus sites, Seattle started strong, showing positive earnings effects for residents when compared with residents in another similarly situated development in Seattle. Halfway through the demonstration, however, the Seattle Jobs-Plus program was disrupted when the Seattle Housing Authority (SHA) won a federal HOPE VI grant to tear down and revitalize Ranier Vista. Jobs-Plus continued at Ranier Vista in a much-modified form (under the name HOPE-Plus), but the positive early earnings effects quickly dissipated when the development began relocating residents and demolishing buildings and the program was no longer serving families who moved.

Overall, the Jobs-Plus Demonstration shows that a work-focused intervention based in public housing developments can be effective. The Seattle experience offers an opportunity to understand how program administrators in one site attempted to balance their obligation to marry basic housing assistance with self-sufficiency programs within the context of a community being physically transformed by a HOPE VI initiative. The findings suggest that, for Job-Plus to work in a HOPE VI environment, perhaps the work-focused assistance and rent-based work incentives, which are the core of Jobs-Plus, should temporarily follow residents who move.

Gordon L. Berlin
President

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We owe special gratitude to a consortium of federal agencies and private foundations for their unwavering support throughout the many years of the national demonstration. Julia Lopez and Darren Walker of the Rockefeller Foundation and Margery Turner and Garland E. Allen, formerly of the U.S. Department of Housing and Urban Development (HUD), have been strong advocates and supporters, and we thank them for their leadership and inspiration. Ron Ashford at HUD paved the way for additional HUD support for the Jobs-Plus study in Seattle, which was also funded by the Stuart Foundation and the Seattle Housing Authority. We are also grateful to the other federal agencies and private foundations — the U.S. Department of Health and Human Services and the Department of Labor; the Joyce, Annie E. Casey, James Irvine, Surdna, Northwest Area, and Washington Mutual Foundations; and BP — that funded the overall demonstration and helped us accomplish the long-term learning objectives that we have pursued in this special report on Seattle and earlier publications.

We thank the many staff at state and local housing and employment agencies for their time and guidance over many years, helping us to acquire and use the critical administrative records data that are the basis of this study. Jeff Jaksich and Don Ayers, at the Washington State Employment Security Department, Labor Market and Economic Analysis Branch, were instrumental in helping us obtain wage records for sample members. Patricia Frederickson, at the Seattle Housing Authority, helped with the acquisition of housing records data. Seanna Melchior and Bert Cooper were terrific partners throughout the many years of the evaluation. Edward Liebow, formerly of the Environmental Health and Social Policy Center, provided invaluable fieldwork on program implementation in Seattle.

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The Authors

Chapter 1

Introduction

This report is the final one in a series produced as part of MDRC's evaluation of Seattle Jobs-Plus, an innovative employment program for public housing residents based in Seattle's Rainier Vista Garden Community (or Rainier Vista) development. Although introduced in 1998 as part of a national demonstration, the program has operated mainly in the context of a major federal housing redevelopment initiative known as HOPE VI.¹ The Rainier Vista development was originally one of six participating in the national *Jobs-Plus Community Revitalization Initiative for Public Housing Families* ("Jobs-Plus" for short), a research demonstration project jointly developed by the U.S. Department of Housing and Urban Development (HUD), the Rockefeller Foundation, and MDRC. That arrangement changed in 1999, when HUD funded the Seattle Housing Authority's application for a HOPE VI grant in order to tear down and rebuild Rainier Vista as a mixed-income neighborhood. Consequently, Seattle was withdrawn from the national Jobs-Plus demonstration. However, because the site continued to operate a Jobs-Plus program at the development in modified form as the centerpiece of its plan for providing community and supportive services to the development that was required under HOPE VI, MDRC continued to evaluate the Seattle program in a companion study, but with a scaled-back research design.²

Both the context of the modified Jobs-Plus program in Seattle (which was known as "HOPE-Plus") and a number of the ways in which the program operated differentiate it from all the other Jobs-Plus sites. While the demonstration site had operated a strong Jobs-Plus program during its first few years, the HOPE VI redevelopment process gradually shifted the focus of the program. The target group was broadened to include the elderly and the disabled, and the intensity of outreach and employment assistance to the original Jobs-Plus target group was reduced. Most important, the program was disrupted by the displacement of tenants and the tearing down of the development.

Taking into account these special circumstances, this report focuses on the effectiveness, or "impacts," of the Seattle Jobs-Plus program on the employment and earnings of residents of Rainier Vista. Drawing on the findings presented in previous MDRC publications, the report compares outcomes for Rainier Vista and a comparison housing development, Yesler Terrace.³ To provide context for that analysis, the report begins with a brief background discus-

¹"HOPE" stands for "Housing Opportunities for People Everywhere."

²The companion evaluation was sponsored by HUD, the Stuart Foundation, and the Seattle Housing Authority.

³MDRC (1999) summarizes the results of a baseline survey conducted just before the demonstration began, in 1998; Bloom (2000) and Kato (2003b) describe Seattle's overall program design and strategies; (continued)

sion on the national demonstration's origins and goals, how the demonstration took shape in Seattle, the characteristics and circumstances of the people that Jobs-Plus aimed to help, the local context within which the program had to operate, and the site's experiences in implementing the Jobs-Plus model.⁴ The report then turns to the impact findings themselves.

The National Jobs-Plus Demonstration: Origin, Goals, and Program Model

Origins and Goals

The designers of Jobs-Plus envisioned the program as a way to offer an economic boost to some of the nation's poorest people and neighborhoods. Its principal goals were threefold: (1) to help people living in these very poor places increase their levels of employment and earnings; (2) by doing so, to help foster the emergence of a broader mix of incomes within those places; and (3) to achieve improvements in residents' quality of life as a result of the gains in employment and earnings. These goals are similar to several core objectives of the Quality Housing and Work Responsibility Act (QHWRA), the federal legislation passed by Congress in 1998 that also seeks to promote residents' self-sufficiency through new economic incentives and opportunities to facilitate mixed-income communities and to deconcentrate poverty within public housing.⁵ Thus, the results of Jobs-Plus speak to the challenges, feasibility, and effectiveness of one approach to achieving these important national purposes.

The Jobs-Plus Model

The designers of the demonstration conceived of it as a broad, three-component intervention (see Table 1.1).⁶ One component would focus on employment-related services and activities, which would draw on the best practices of past employment initiatives and include activities such as instruction in job search skills, combined with some education and training and assistance with child care and transportation. Some of these services could be offered on site at the developments, but the great diversity in residents' job readiness and service needs would

Liebow et al. (2004) describe Seattle's experiences implementing the program and adapting it to HOPE VI, as well as resident participation in program activities and the program's use of rent incentives.

⁴Earlier publications, listed at the end of the document, explore these topics in much greater depth. These documents also provide much of the content for this report. The final report on the full Jobs-Plus demonstration (Bloom, Riccio, and Verma, 2005) presents fuller evidence of the program's effects on residents' work outcomes in all six sites.

⁵Sard and Bogdon (2003); U.S. Department of Housing and Urban Development (1999).

⁶For further details on the rationale behind the three features of the program, see Riccio (1999).

The Jobs-Plus Demonstration

Table 1.1

The Jobs-Plus Model

The Jobs-Plus model calls for targeting of all working-age, nondisabled residents with:

- **Employment-related services and activities** to help residents secure and retain employment, including job search instruction, education programs, vocational training, and support services, such as child care and transportation assistance.
 - **Financial incentives to work**, consisting of changes in public housing rent rules that help to “make work pay” by reducing the extent to which higher earnings from work result in increases in rent, which may discourage work.
 - **Community support for work**, which seeks to strengthen social ties and activities among residents to support their job preparation and work efforts — for instance, by fostering neighbor-to-neighbor exchanges of information about job opportunities or various employment services available through Jobs-Plus.
-

also require access to networks of existing services in the local community. The second component would involve the creation of new financial incentives to work. These would include new public housing rent rules to replace the traditional HUD rules, under which residents paid 30 percent of their incomes (after certain adjustments) in rent, a requirement that imposes an implicit “tax” on their earnings. The new rules would help make low-wage work “pay,” by reducing the extent to which gains in earnings are offset by increases in rent. The program’s third component, community support for work, would involve strengthening residents’ social capital in ways that would support working. For example, Jobs-Plus would attempt to foster work-related information-sharing, peer support, and mutual aid both among residents and between residents and people living outside of their housing developments.

Jobs-Plus’s multicomponent approach is fundamental to the program’s underlying theory — the vision of how it is expected to produce large impacts on employment and earnings. According to this theory, tackling a variety of obstacles to work through a combination of employment services, financial incentives, and social network strategies would enhance residents’ interest in and commitment to working, their capacity to look for and find work, the skills they need to qualify for better jobs, and their knowledge of job opportunities. These changes, in turn, would increase their participation and success in the labor market and reduce their reliance on welfare. Any such increases in employment and earnings and in more productive engagement in society would then foster improvements in the quality of life within the developments and in residents’ own personal and family well-being.

The program is also distinctive because of its attempt to implement all three program components at saturation levels within the participating public housing developments.⁷ That is, the program was to be targeted to all residents who were of working age and not disabled (as classified by the housing authority according to HUD rules). Thus, at the very least, all such residents were to be exposed to new work-promoting “messages” from program staff and neighbors. Furthermore, the families who participated could benefit from the new financial incentives and take advantage of a diverse array of services and supports.

Finally, while Jobs-Plus targeted public housing residents, its national sponsors envisioned it as a locally collaborative undertaking and required that each participating city tap a reservoir of local knowledge, technical expertise, and resources to adapt the generic model to local circumstances and to operate the program. The sponsors hoped that by taking this collaborative approach, the program would stand a much greater chance of success than if any single local partner (the housing authority, for example) were to design and operate it alone or if it were to be designed in detail by the national demonstration partners.⁸

Adapting Jobs-Plus to Deliver on the Self-Sufficiency Goals of HOPE VI⁹

HOPE VI is a HUD program that is aimed at redeveloping the most “severely distressed” housing projects across the country. The redevelopment process involves replacing public housing units with apartments or townhouses, some of which become available at market rate to working families, in an effort to reduce the concentration of poor households in the development communities. The local housing authority must use some HOPE VI funds to offer supportive services to residents who are relocated during the demolition to help them find housing in the private market. However, housing authorities also have the option of offering — in addition to housing search assistance — various employment-related services to prepare residents for employment and life as private housing tenants.¹⁰ For Seattle, the HOPE VI grant meant that many Rainier Vista residents would be relocated, at least temporarily, while construction was under way. Because the redevelopment and relocation process so dramatically differentiated the Seattle site from all other Jobs-

⁷The saturation focus of the intervention was seen as a way to promote and strengthen a normative environment focused on work throughout participating housing developments. It was also viewed as having the potential to spark escalating change within the developments. In other words, the intervention might produce a critical mass of employed residents whose experiences would generate momentum for change across the development.

⁸To qualify for the demonstration, each local collaborative had to include, at a minimum, the following four partners: the public housing authority, resident representatives, the welfare department, and the workforce development system (represented by the agency operating since 1998 under the Workforce Investment Act, or WIA).

⁹The next two sections are drawn largely from Liebow et al. (2004).

¹⁰U.S. Department of Housing and Urban Development (1999). For an assessment of the accomplishments of HOPE VI, see Popkin et al. (2004).

Plus sites, the demonstration's sponsors and the Seattle Housing Authority (SHA) agreed to remove the Seattle site from the national demonstration.

However, SHA saw in Jobs-Plus a promising approach that justified continued exploration. SHA recognized that it was possible to find an appropriate new home for the program by making it the centerpiece of the “community and supportive services component” of Seattle’s HOPE VI plan. HOPE VI-sponsored redevelopment efforts are required to extend beyond architectural and land-use changes to include such a services component, which aims to:

- Promote residents’ progress toward self-sufficiency;
- Address the needs of individual families;
- Encourage community-building among residents; and
- Assure that any household’s decision to relocate is well informed.

All but the last of these objectives were already within the mission of the existing Jobs-Plus program. Two steps had to be taken to broaden the Jobs-Plus focus to meet the goals of HOPE VI: (1) expanding the target population to include all residents from households with working-age members, and (2) adding relocation-related assistance to the menu of services and supports. Because both steps seemed feasible, SHA retooled the program as a combined Jobs-Plus and HOPE VI initiative. Taking these steps meant that a program whose planners originally saw it as “place-based” — designed to capitalize on the opportunity to assist residents where they live — would need to become an intervention that was targeted to a community in which many tenants were focused on moving out, either temporarily or permanently, and that continued assisting relocated residents after they left the development.

Paralleling the interest in maintaining Jobs-Plus services, HUD, SHA, and MDRC wanted to continue to use the Seattle program to learn about the feasibility of an innovative employment initiative in a low-income community. Thus, a decision was made to test the program in an evaluation that is separate from but closely related to the study that MDRC conducted of the other Jobs-Plus sites.

The Local and National Context for the Program

The Community

At the beginning of the demonstration, MDRC randomly chose Rainier Vista to be the treatment, or program, site and Yesler Terrace to be the comparison site. Rainier Vista is located

in Seattle's Rainier Valley, about five miles southeast of the city center (Figure 1.1). The development is split into roughly equal east and west sections by Martin Luther King, Jr., Way, a major north-south thoroughfare, which is a key public transit route. The development is divided in other ways as well: It spans two police districts and two zip codes, and its children attend three different public schools.

Rainier Vista's units were originally built during World War II to help house the booming Boeing aircraft manufacturing workforce. SHA managed the property from its beginning in 1942. After housing war workers, Rainier Vista served returning veterans and their families, and then in the mid-1950s, the development became housing for low-income families and individuals. Significant renovations of roofing, exterior siding, and insulation were completed in 1994, and new water and sewer lines were installed in 1997. (However, the new siding actually accelerated the deterioration of units by capturing moisture in the walls. In this case, the renovations had solved one problem only to create another.)

Despite the renovations, SHA projected that long-term maintenance costs would be excessive, and it sought HOPE VI funding to develop a mixed-income neighborhood that, among other benefits, would make maintenance more affordable. The site's 481 one-story duplex apartments are being torn down to make way for no more than 1,010 units, with a mixture of low- and middle-income rental and for-sale housing, and a special accommodation for seniors.

Although not far from the city's downtown and from commercial activity, the development is quite distant from many of the more outlying urban and suburban areas that are important sources of employment for city residents. A light-rail route is slated for completion in approximately five years, but currently the development has relatively poor public transportation options for taking residents to jobs in outer-city and suburban areas.

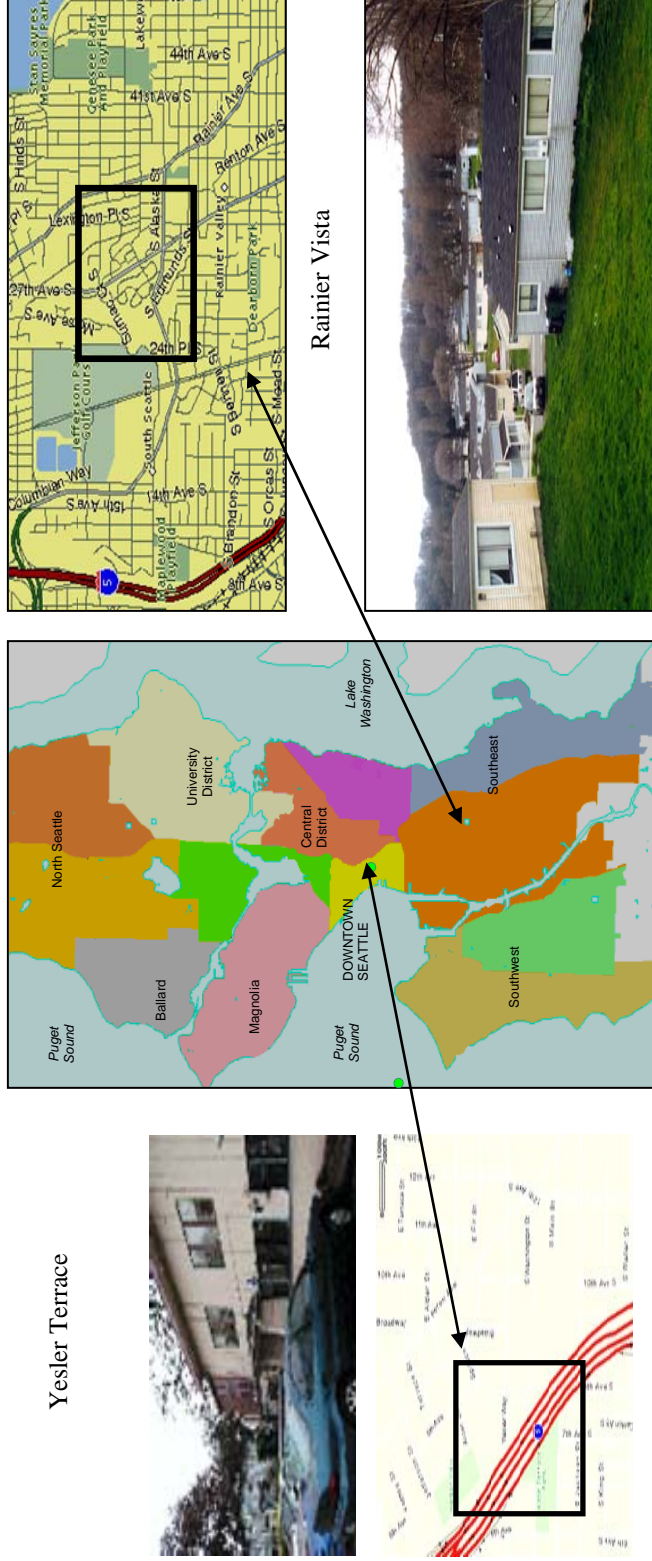
The Residents

To get a clear picture of the Rainier Vista residents who are the focus of this report, it is useful to examine their characteristics alongside those of the residents of all six housing developments that operated Jobs-Plus, and to compare the Rainier Vista population to the population of the Seattle comparison site that was studied in the evaluation. Table 1.2 shows the characteristics of residents of the six housing developments that operated Jobs-Plus. These individuals are part of the main research sample for evaluating the program's impacts. This sample includes individuals who were living in the Jobs-Plus developments in October 1998, the year that Jobs-Plus operations began; hence, they are referred to as members of the "1998 cohort" of residents of the Jobs-Plus developments. At that time, all these sample members were between ages 21 and 61 and were not classified as disabled by the housing authority. Although the full target group for the Jobs-Plus program extended to residents as young as age 18, the impact analysis

The Jobs-Plus Demonstration

Figure 1.1

Seattle's Rainier Vista and Yesler Terrace Public Housing Developments



SOURCE: Edward B. Liebow, Carolina Katz Reid, Gabrielle E. O'Malley, Scott Marsh, and Susan Blank, *Jobs-Plus in Seattle: Key Features of an Employment Program at the Rainier Vista Public Housing Development* (New York: MDRRC, 2004).

The Jobs-Plus Demonstration

Table 1.2
Selected Characteristics of Targeted Residents Aged 21 to 61
Living in the Jobs-Plus Developments in 1998

Characteristic	Seattle	Baltimore	Chattanooga	Dayton	Los Angeles	St. Paul	All Developments Combined
Race/ethnicity ^a (%)							
White (non-Hispanic)	8	0	4	1	1	3	3
Black (non-Hispanic)	32	99	94	97	6	21	58
Hispanic	0	1	2	0	79	4	14
Asian/Pacific Islander	28	0	0	0	12	56	16
Other	14	0	0	0	0	0	3
Missing	19	0	0	2	1	16	7
Household head (%)	70	91	93	93	57	66	78
Female (%)	71	81	91	86	65	66	77
Age ^a (%)							
21-24 years	12	13	27	26	12	13	17
25-34 years	33	33	38	42	28	40	36
35-61 years	55	55	35	32	59	47	47
Average age (years)	37	37	32	32	39	36	35
Lived in a household with (%):							
Two or more adults	54	16	15	14	74	67	40
No children	23	45	17	27	26	5	24
Children ages							
0-5 years	42	25	44	47	29	56	40
6-17 years	62	44	64	48	63	88	61
Sample size	434	367	282	351	513	312	2,259

(continued)

Table 1.2 (continued)

SOURCE: MDRC calculations using data from public housing (50058) authority records.

NOTES: This sample (referred to as the "1998 cohort") includes all residents of each development in October 1998 who were between 21 and 61 years old and not listed as disabled on public housing authority records. Because of missing data, the sample size for each characteristic may vary.

In the average for all developments combined, the results for each housing development are weighted equally.

^aDue to rounding, distributions may not sum exactly to 100 percent.

for the full demonstration focuses only on those between ages 21 and 61. (Once HOPE VI began, Seattle Job-Plus extended benefits to the elderly and disabled, although these populations are not part of the impact analysis.)

As shown, three developments operating the Jobs-Plus program (Baltimore, Chattanooga, and Dayton) were populated almost exclusively by African-Americans, who made up 94 percent or more of the Jobs-Plus sample for those sites. Residents of the other Jobs-Plus developments were a more varied ethnic mix, including large numbers of Hispanic and Asian/Pacific Islander households and substantial numbers of immigrants. Seattle housed a wide mix of residents from different East African and Southeast Asian countries, as well as native-born U.S. citizens, with residents speaking as many as 22 different languages. Los Angeles had predominantly Hispanic residents (79 percent of the sample), primarily of Mexican or Central American descent, but it also housed a sizable minority of Southeast Asians (12 percent), particularly from Vietnam and Cambodia. Hmong and other immigrant families from Southeast Asia predominated (56 percent) in St. Paul.

The Jobs-Plus developments also varied with respect to other demographic characteristics, such as the percentage of females (ranging from 65 percent to 91 percent of the sample) and households with two or more adults (ranging from 14 percent to 74 percent). The latter households were most highly represented in the sites with high proportions of immigrants (Seattle as well as Los Angeles and St. Paul), which included many married couples. Turnover in the tenant populations was considerable over the course of the demonstration. (Chapter 2 examines this issue in more detail.)

Table 1.3 contrasts Rainier Vista, the Seattle Jobs-Plus development, with Yesler Terrace, its comparison development. The table highlights several similarities and differences between these two sites. Like Rainier Vista, Yesler Terrace is distinguished by the diversity of its residents. With a larger number of studio and one-bedroom apartments, Yesler housed more elderly and disabled residents than Rainier Vista. As in Rainier Vista, however, immigrants from East African and Southeast Asian countries formed a substantial portion of Yesler's resident population.

Yesler Terrace is located near the city center, providing residents a gateway to schools, health facilities, transportation, and jobs. The readily available transportation and other aspects of living near downtown have helped Yesler residents find work. Besides its proximity to employment centers and markets, Yesler Terrace has good access to several social service agencies, which are located either on site or nearby. Some of these organizations also serve Rainier Vista residents.

The Jobs-Plus Demonstration

Table 1.3

Comparison of Local Context, Services, and Incentives at the Seattle Jobs-Plus Development and Its Comparison Development

Program Feature	Jobs-Plus Development <i>Rainier Vista Garden Community</i>	Comparison Development <i>Yesler Terrace</i>
Housing and Neighborhood	Development includes 481 one-story duplex apartment units in Rainier Valley, 5 miles southeast of Seattle’s city center. Surrounded by recent commercial and retail development, near large public park and expensive waterfront property. In 1999, awarded HOPE VI redevelopment funding. Temporary relocation of residents began in 2001 (although some residents only moved to other side of development).	Development includes almost 700 apartment units in 93 wooden-frame buildings, with community center. On steep hill, across from Seattle University, near Seattle’s downtown and International District, Harborview medical complex, and Seattle Central Community College, which are sources of social and health services and jobs for Yesler Terrace residents.
Demographics	Ethnically diverse, with African- and Caucasian-American residents living alongside immigrants from East Africa, Southeast Asia, and Latin America. Majority female-headed households. Language- and immigrant-related barriers to outreach, service delivery, and employment, such as limited English proficiency and post-traumatic stress disorder.	Similar to Rainier Vista demographic profile, but with more senior and disabled residents.
Employment-Related Services	Jobs-Plus at Rainier Vista became HOPE-Plus, offering employment and support services and community-building assistance as part of the HOPE VI community and supportive services component. Once enrolled in HOPE-Plus, residents undergo intake and assessment with job coach. Participants with limited English proficiency work with job coach, who is often fluent in their language, and can enroll in ESL classes offered by Refugee Women’s Alliance, a collaborating organization that serves immigrants. Residents have access to help with résumé preparation; job search, job retention, and career advancement services; and instruction about workplace expectations.	Employment services for Seattle Housing Authority residents with children and on welfare at least 30 months through Job Connection, U.S. Department of Labor-funded welfare-to-work program. If ineligible for Job Connection, residents referred to the Seattle Jobs Initiative’s local for-profit contractor, TRAC Associates, with an office one mile away. TRAC is paid for success in placing clients into jobs paying \$8 or more per hour. Support service agencies on site or nearby include Neighborhood House, Horn of Africa Services, Asian Counseling and Referral Services, and International District Housing Alliance. On-site Head Start

(continued)

Table 1.3 (continued)

<p>Employment-Related Services (continued)</p>	<p>Support services for work are wide-ranging, including help with child care and transportation and filing immigration-related papers. Workshops available for help with filing income tax returns, business start-up, homeownership, financial management, and household budgeting skills. The job developer works with local employers to find suitable positions for residents.</p>	<p>center and youth programs and computer learning center supported by Seattle Parks and Recreation Department. Until 2001, Seattle-King County Public Health Department operated on-site health clinic.</p>
<p>Rent Incentives</p>	<p>Implemented in September 1999, Seattle’s plan was based on series of steps in which rent levels gradually increased to market rate. In Step 1, rents of working households were frozen at current level. In Steps 2 through 4, rent increased every two years until equaling 100 percent of market rate for given apartment size (for instance, Step 2, 40 percent of market rate; Step 3, 75 percent of market rate). Housing authority diverted portion of monthly rent payment to interest-bearing escrow account that residents could get access to in order to pay for education, business start-up, or homeownership. Any Rainier Vista adult residents in good standing, including elderly and disabled residents, as well as residents already working, were eligible to enroll until March 2001. Seattle Housing Authority assigned senior staff person on site at Rainier Vista to administer the program.</p>	<p>In 2000, implemented housing authority-wide rent incentives program under federal Moving to Work demonstration. Uses a system of gradually increasing ceiling rents. The ceiling establishes maximum rent for successive two-year periods. First two years of employment, rent ceiling is \$260 per month. Second two years, rent ceiling is \$390. Third and final rent ceiling sets household rent at 100 percent of fair market value of unit. Anytime working residents paying at least \$390 in monthly rent, portion of difference between \$350 and rent actually paid is contributed to savings account by housing authority. Savings available to household upon moving from public housing.</p>
<p>Community Support for Work</p>	<p>Residents who spoke languages of ethnic groups at Rainier Vista hired and trained as <i>resident outreach and orientation specialists</i> to publicize Jobs-Plus services and job opportunities and recruit participants. Also, Community Shares program permitted residents to contribute services (for instance, attending meetings, serving on committees, providing transportation) in return for credits that could be exchanged for \$50 rent reduction, a computer, or services from other residents using the exchange.</p>	<p>No formal efforts to engage residents in employment services and pursuing job opportunities.</p>

SOURCE: MDRC field research and program documents.

A Changing Policy and Economic Environment

In Seattle and other demonstration sites, Jobs-Plus did not operate in a policy vacuum. When the demonstration was launched in the latter part of the 1990s, the states and localities were implementing the major overhaul of the nation's welfare system called for under the 1996 federal legislation, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).¹¹ Soon after the Jobs-Plus sites had been selected, the federal government replaced the Job Training Partnership Act (JTPA) with the Workforce Investment Act (WIA) of 1998, in the hope of providing better and easier access to job placement assistance, education, training, and other workforce services for low-income populations. And, in 1998, the federal government overhauled its housing policies with passage of the Quality Housing and Work Responsibility Act, which, as previously mentioned, included some provisions to encourage greater employment among public housing residents. The 1990s also saw a large expansion of the federal Earned Income Tax Credit (EITC), which supplements the earnings of low-wage workers.

As Jobs-Plus was rolling out, the national economy was in the midst of an economic boom that had brought unemployment rates to their lowest levels in decades. By 1996, the national rate stood at 5.4 percent, and it continued to fall, to 4.0 percent in 2000. However, the picture had changed by 2001, when the country entered a recession,¹² and the unemployment rate rose over the next few years, to 6.0 percent in 2003 — the last year in the operational phase of the demonstration. In Seattle, the Jobs-Plus demonstration began when the area's unemployment rate was near an unprecedented low. It had fallen from 8.3 percent in 1993 to 3.2 percent in 1998, and it stayed around 3.0 to 4.0 percent between 1998 and 2001. In 2001, however, unemployment rose dramatically, eventually climbing back to 8.0 percent. Factors contributing to the increase were the bursting of the information technology bubble and the continued slowdown in manufacturing, particularly in the high-tech and aerospace industries.¹³

All these changes may have had some influence on the labor market decisions of residents living in the Jobs-Plus developments and on the decisions of residents in the comparison developments. In and of themselves, the changes may have contributed to changes in residents' employment and earnings and reliance on welfare. Consequently, the Jobs-Plus impact analysis is a test of whether the program made a difference in residents' outcomes above and beyond what these residents might have accomplished in this changing context in the absence of Jobs-Plus.

¹¹Under that legislation, states were required to impose time limits on receipt of federal welfare benefits and to expand requirements for recipients to take part in welfare-to-work programs. Many states also introduced more generous earnings disregards to help make low-wage work "pay."

¹²The National Bureau of Economic Research identified March 2001 as the date when the national recession began (Hall et al., 2004).

¹³Office of the Forecast Council (2003); Lin and Schmidt (2003).

Examining the Effects of Jobs-Plus

The saturation and place-based nature of Jobs-Plus made it impossible to assess the effectiveness of the intervention using a traditional randomized experiment, a method widely viewed as the most credible way of determining a program’s effectiveness. In such an experiment, individuals are randomly assigned to either a program group, which receives the new intervention, or a control group, which does not. The estimate of the effect — or impact — of the program is the difference between the groups on the outcomes of interest, such as average earnings. It was not possible to use this methodology for evaluating Jobs-Plus because the program’s services, incentives, and supports for work were to be targeted toward all working-age, nondisabled residents at each development. This made it impossible to create a randomly selected control group of individuals within a development who would be left “untouched” by the program. The evaluation therefore had to rely on an alternative approach.

The approach that was adopted, which is described in Chapter 3, involved randomly assigning entire housing developments (rather than individual residents) to either a program group or a comparison group within each site.¹⁴ Coupled with this approach, a comparative interrupted time-series analysis of administrative records compares each group’s earnings trend before and after the introduction of Jobs-Plus. For this design to work, the housing authority in each candidate city in the national demonstration had to have at least two — and preferably three — developments that would qualify for Jobs-Plus and that housed demographically similar tenants. The housing authority also had to allow MDRC to determine randomly which one of these developments would be selected to operate the program. The other one or two developments would become part of a comparison group where research would be conducted but Jobs-Plus would not be operated.¹⁵ The purpose of using the comparison group was to show how residents’ employment, earnings, and welfare trends would have changed in the absence of Jobs-Plus. In other words, the change in outcomes for the comparison group would establish the benchmarks for assessing the “added value” of Jobs-Plus. (A total of 15 housing developments, including Seattle’s Rainier Vista and Yesler Terrace, were used for the national demonstration’s final impact analysis: six that operated Jobs-Plus and nine that served as comparison developments. See Table 1.4.)

¹⁴This impacts assessment strategy is unique among evaluations of public housing employment programs and comprehensive community initiatives. Although not as robust a research design as a social experiment involving the random assignment of individuals, it holds the potential to supply unusually reliable evidence of the program’s impacts.

¹⁵The random allocation process was used in order to avoid systematically selecting for Jobs-Plus the best-managed of the available developments or those that enjoyed the most favorable conditions for achieving employment outcomes. In other words, it was an attempt to set up a “fair” comparison, so that if better outcomes were observed for residents of the program developments, these improvements could more confidently be attributed to Jobs-Plus rather than to other factors.

The Jobs-Plus Demonstration

Table 1.4

Cities and Housing Developments in the Jobs-Plus Impact Study

City	Jobs-Plus Development	Comparison Development(s)
Baltimore	Gilmor Homes	Perkins Homes Somerset Courts
Chattanooga	Harriet Tubman Homes	College Hill Courts Emma Wheeler Homes
Dayton	DeSoto Bass Courts	Arlington Courts Parkside Homes
Los Angeles	William Mead Homes	Dana Strand Village
St. Paul	Mt. Airy Homes	Roosevelt Homes
Seattle	Rainier Vista Garden Community	Yesler Terrace

Besides the challenge of finding an alternative strategy to a control group methodology, designers of the national evaluation faced a second challenge that arose from Jobs-Plus’s dual emphasis on “helping individuals” and “helping places.” If residents who benefited from Jobs-Plus quickly moved away, their contribution to average earnings or to the employment rate within a development at any given time would have been less than if those residents did not move. Taking this into account, the impact study assesses Jobs-Plus’s “success” from two perspectives: (1) What happens to individuals, whether or not they remain in public housing? and (2) What happens to the year-to-year employment and earnings levels in the developments themselves? Because of the residential relocation prompted by HOPE VI, however, the research design for Seattle was modified to focus on testing the impacts of the program on individuals only. Hence, no attempt was made to assess how the impacts on individual public housing residents (people) translate into impacts on public housing developments (places). Further, due to the more limited evaluation budget for the Seattle research, the impact study focuses only on employment-related outcome measures.

The main sources of data for this report include housing authority records, which provide information on residents’ background characteristics and their tenure in public housing,

and state Unemployment Insurance (UI) wage records. The data were collected to cover a period extending back to 1992 and through the end of 2003. The longitudinal data make it possible to determine how similar residents' employment and earnings trends were prior to the start of Jobs-Plus and whether, afterward, residents of the Jobs-Plus developments proceeded along a more positive trajectory than their counterparts in the comparison developments. MDRC also hired a local research organization — the Environmental Health and Social Policy Center — to conduct field observations that would complement the quantitative impact assessment.

The Remainder of This Report

The federal HOPE VI initiative is a significant policy intervention that aims to transform distressed public housing developments into mixed-income communities that also include unsubsidized tenants and homeowners. However, relatively little systematic research is available about this initiative's efforts to deliver self-sufficiency services to existing public housing tenants in the midst of the complex HOPE VI redevelopment process. Chapter 2 describes the site's struggles and accomplishments to translate the core elements of the Jobs-Plus model to provide these services, as well as to incorporate and adapt to the broader mission of HOPE VI. Chapter 3 turns to the effectiveness of Seattle Jobs-Plus in improving residents' employment and earnings — through a longitudinal analysis of individuals, some of whom moved out of public housing.

Chapter 2

The Implementation Experience

This chapter, drawing heavily on earlier MDRC reports, recounts the Seattle program's major strategies, difficulties, and accomplishments in implementing Jobs-Plus.¹ By showing how Jobs-Plus operated and how residents responded to it, the chapter sets the stage for understanding the program's impacts on residents' employment and earnings.

Launching Jobs-Plus at Rainier Vista

Figure 2.1 presents a time line and operational highlights for both HOPE VI and Jobs-Plus at Rainier Vista. In March 1997, Seattle, along with the other cities in the national demonstration, was selected to begin the demonstration's main design and implementation phase. Following the resolution of some programmatic and funding issues, the demonstration began operations in Seattle in March 1998. Once Seattle Jobs-Plus began to be supported by HOPE VI funding, it was scheduled to continue at Rainier Vista through 2008.²

Hiring of Jobs-Plus staff began in early 1998, and most staff were on board later that year; additional staff were added in 1999. The services offered by this staff were supplemented by some referrals to other organizations, many of which were located either on site or very near to Rainier Vista. The Jobs-Plus staff were very sensitive to the need for the program to have some way to communicate with residents in their first languages — mainly Vietnamese, Khmer (Cambodian), Amharic, Tigrinya, Oromo, and Somali. A roster of residents qualified to provide translation and interpreter services in each of these languages was maintained. Also, practically all community meetings offered interpreter services, and all printed program materials were translated into each of these languages. The community organizer position was staffed by a native Vietnamese speaker; the job coaches were selected in part because of their language skills (Cambodian, Amharic, Tigrinya, and Somali); and the program's resident outreach and orientation specialists, who worked on publicizing the program to residents, were selected specifically because of their language and national origins.³

¹See, especially, Bloom, Riccio, and Verma (2005); Bloom (2000); Liebow et al. (2004).

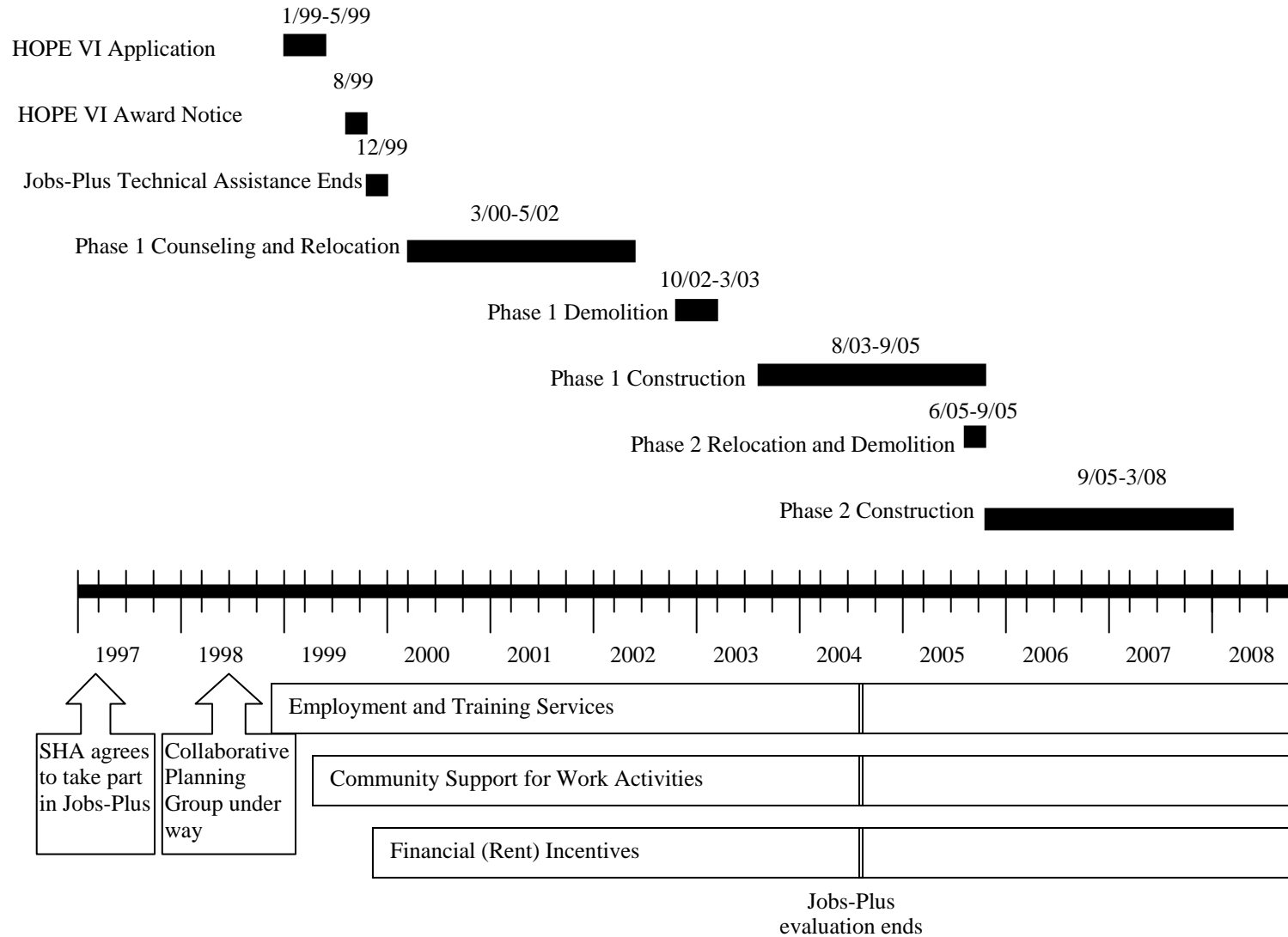
²Although the program is slated to continue through 2008, staffing intensity has diminished since mid-2003, with some staff members also serving groups of public housing residents outside Rainier Vista. Since the period of observation covered by this report has ended, the report uses the past tense to describe the program's practices and patterns.

³In addition, *The Voice* — the monthly newspaper that circulates to all public housing residents in Seattle — is published in English, Vietnamese, Amharic, Russian, and Spanish.

The Jobs-Plus Demonstration

Figure 2.1

Time Line for Implementing the HOPE VI Redevelopment and Jobs-Plus Services



SOURCE: Edward B. Liebow, Carolina Katz Reid, Gabrielle E. O'Malley, Scott March and Susan Blank, *Jobs-Plus Plus in Seattle: Key Features of an Employment Program at the Ranier Vista Public Housing Development* (New York: MDRC, 2004).

Job-Plus staff members regularly made themselves available for community activities on nights and weekends. The Seattle Housing Authority (SHA) maintained flexible personnel policies to encourage that kind of participation and took other special steps to support residents. For example, SHA paid for the installation of backyard fences around the apartment units of Rainier Vista residents who were opening in-home child care businesses, and it made space available in vacant apartments for training and computer workstations.

Despite the disruptions caused by residents moving out while Rainier Vista was being redeveloped, Seattle's Jobs-Plus team remained remarkably stable until relocation had been completed. Until May 2002 — when the last of the residents was relocated away from the area slated first for demolition — there was minimal turnover in any of the key staff positions. The project director, employment and training services coordinator, community builder, community organizer, financial incentives coordinator, job developer, administrative assistant, all but one of the job coaches, and all but one of the resident outreach and orientation specialists remained in place throughout this period.⁴

As in almost all the Jobs-Plus sites across the country, the financial incentives component in Seattle went into effect later than most other demonstration activities, in large part because of the time it took for the U.S. Department of Housing and Urban Development (HUD) and a Congressional committee to determine how to compensate housing authorities for losses in rent revenues resulting from the incentives. The planning for the incentives began in Seattle with small-group meetings of residents convened by the project director in early 1998. By March 1999, SHA had committed in principle to the basic incentives plan that grew out of the meetings.

Planning for the financial incentives proceeded into the spring and summer of 1999. In July, even though SHA was still waiting to hear from national HUD headquarters that the housing authority would be held harmless for the rent revenues that it would forego as a result of offering the incentives, Jobs-Plus began enrolling residents in the new rent policy. At this stage in the demonstration, the program also hired its six resident outreach and orientation specialists, who were expected to promote the plan — and other Jobs-Plus services — to residents. Changes in rents for the first enrollees went into effect in September. The formative stages of the program's community support for work component started with planning in March 1999 and culminated in September with the hiring of the community builder to coordinate the project.

Because of the slow implementation process and many startup difficulties at demonstration sites, the years 1998 and 1999 have been defined for the purposes of the evaluation as a transitional, or "rollout," period for Jobs-Plus. Consequently, as explained in Chapter 3, the pro-

⁴The job developer and community builder have remained in place throughout the study period. All of these other positions were redefined in July 2003.

gram's impacts on employment and earnings after that transitional period (that is, during the years 2000 to 2003) are considered a better estimate of the potential of Jobs-Plus than its effects during the earlier years.

Jobs-Plus Services: Scope, Incentives, and Supports for Work

The three components of the Jobs-Plus program model that were designed to form the basis of Jobs-Plus programs in all sites, including Seattle, were intended to function as complementary ways of infusing public housing developments with a dramatic and unprecedented effort to promote work. In time, the program became widely known in the participating developments as a place where residents could get help with their employment needs. The financial incentives were perhaps the most eagerly anticipated benefits of the new program. According to field research interviews, they were an important "hook" that grabbed residents' attention and got many of them to come forward. However, many residents also looked to the program's employment services component to help them find their way into work or into better jobs.

The following sections describe the three components of the program as they were implemented in Seattle.

The Financial Incentives Component: Rent Incentives and Individual Development Accounts

Rent Incentives

All working residents of Rainier Vista were eligible to enroll in the rent incentives program, which had the following features:

- The traditional rent structure was replaced with a *series of rent steps* that gradually increased to market rates. During Step 1, which lasted two years, residents' rents were to be frozen at their current levels. Reflecting a belief that after two years, many participants would be earning higher incomes, rents were then to be increased every two years, first to 40 percent (Step 2), then to 75 percent (Step 3), and, in the final step, to 100 percent of prevailing market rents in the surrounding community. The rent steps began when participants entered the program, and residents could start on any step they chose. Thus, a resident who was already paying a high rent might choose to begin on Step 2, rather than having rent frozen at its current level.
- Beginning with Step 2, SHA deposited a portion of the resident's rent into an interest-bearing *escrow account*. Assets in the accounts could accumulate to

a maximum of either \$8,000 or \$10,000, depending on the size of the resident's apartment, and residents could tap into those savings at any time to pay for additional education, to start a business, or to make a down payment on a house. In addition, residents had access to up to \$1,000 from their funds for employment-related emergencies. After residents who had escrow accounts had saved the maximum amount allowed or had moved out of public housing, they could use the savings for any purpose they chose.

- Families who could not pay the flat rent could have their *rents reduced* as a safety net, on an emergency basis, to as little as \$25 per month for up to 3 months over a 12-month period. In some cases, a unique rent plan might be developed for families who could not pay the flat rent. A resident wishing to revert from paying the flat rent to the traditional income-based rent had to seek the approval of the rent review board.

Because of the timetable for HOPE VI relocation and demolition, no households were allowed to move into Rainier Vista after March 2000, and no new rent policy enrollments were accepted after March 2001.

The Individual Development Account Program

Like the escrow accounts, the site's Individual Development Account (IDA) program was established to help residents accumulate savings. In contrast to the escrow policy, however, program participants had to deposit savings into their IDAs themselves, rather than having SHA make deposits for them. These accounts were then matched two-for-one through a grant from the State of Washington. Like the escrow accounts, the IDAs could be used to save for homeownership, for education, or for starting a small business. Residents had to specify at the outset which of the three goals they wished to pursue, although they could receive the matching funds if they later decided to shift to one of the other two goals. They had to withdraw the matched savings within three years.

Funding for the IDA program allowed for 30 slots, which turned out to be enough to accommodate all the residents who were interested in the program. To support savings, residents were allowed to take part in both the rent policy and the IDA program at the same time.

The Employment and Training Services Component

Employment and training services available through the Jobs-Plus program included assessments of residents' readiness to work, skills training, assistance with job searches, and job development. Many services were offered at the development's Job Resource Center, which SHA created specially for the Jobs-Plus program by donating space in a vacant duplex apart-

ment, located across a walkway from most other program offices. The center — which was open on Saturdays and on Wednesday nights to accommodate the schedules of working residents — contained a small classroom and eight computer workstations with high-speed Internet access. The center was managed by the Rainier Vista Leadership Team (RVLT), an elected board that represents residents, rather than by SHA.

Detailed descriptions of the employment and training services offered by Seattle Jobs-Plus are available in MDRC's earlier implementation reports.⁵ Following is an overview of the services.

- **Job Search Services.** These were mainly individualized and were offered at the Jobs Resource Center.
- **Education and Training.** English as a Second Language (ESL) instruction was available through the Refugee Women's Alliance (ReWA) and the local community college. Other Jobs-Plus training programs were offered through a combination of on-site classes and off-site classes at community and technical colleges and community-based organizations.
- **Helping Residents Become Certified Child Care Providers.** On-site training sessions were made available by a local organization to help interested residents become certified child care providers. Following this training, the organization placed residents in child care centers, where they could meet the two-month work-experience requirement that is needed for a state license.
- **Paperwork Nights.** On the weekly Paperwork Nights, the Jobs Resource Center was kept open so that residents could make appointments or drop in to get help in understanding and filling out forms.
- **Job Retention and Promotion Strategies.** Jobs-Plus staff designed training activities to build skills and capacities that would help residents find and keep career-track jobs. Also, the program's escrow accounts and IDAs were intended to reward long-term continuity in employment. Arrangements were also made to bring expert tax-preparation help to Rainier Vista every February, so that residents would know how to claim the Earned Income Tax Credit and the Dependent Care Tax Credit. In addition, staff used a variety of interactions and strategies — some informal — to encourage residents to maintain employment and climb career ladders.

⁵Bloom (2000); Liebow et al. (2004); Liebow and O'Malley (2003).

The Community Support for Work Component

The Jobs-Plus community support for work component — the least elaborately developed of the three components in the program model — has been given different interpretations across the demonstration sites. Staff of the Seattle Jobs-Plus program construed this component very broadly, defining it as encompassing a range of community-organizing and institution-building activities that do not necessarily support employment efforts immediately and directly but that are seen as ultimately contributing to residents' overall sense of self-sufficiency. Along these lines, on several occasions, staff intervened to help residents with household issues involving domestic violence, substance abuse, and maternal and child health concerns.

Community Shares — perhaps the most visible of the Seattle Jobs-Plus community-building activities — was a service exchange system designed to promote collaboration and the formation of support networks in the community. The program is based on a model promoted by Time Dollar USA, which allows participants to receive credit for contributing services (such as child care, home repairs, transportation, or tutoring) to others. In exchange for the credits that participants accumulate, they can request services from others. A central inventory lists residents who have skills that they are willing to make available, and a record is kept of each participant's volunteered time. In addition to service exchange, Community Share credits in Seattle Jobs-Plus could be exchanged for a \$50 reduction in rent or for computers made available by SHA.⁶

Residents' Participation in Jobs-Plus

The program features described above helped Jobs-Plus become widely known among residents in Seattle and other demonstration sites as a place to get help with employment needs. But how many residents took advantage of what Jobs-Plus offered? To answer this question, measures of resident engagement in the program have been calculated using two overlapping samples of tenants: those residents of the Jobs-Plus developments who are part of the main impact analysis sample, referred to as the "1998 cohort," and those who are part of a supplementary impact sample, referred to as the "2000 cohort." The earlier cohort is made up of all working-age, nondisabled residents aged 21 to 61 who were living in a Jobs-Plus development in 1998, the year when Jobs-Plus operations began in all sites. The experiences of this cohort thus reflect the behavior and outcomes of residents who had an opportunity to be involved with Jobs-Plus from its earliest days. However, the 1998 cohort also includes many residents who moved out of the Jobs-Plus developments before the crucial rent incentives component became avail-

⁶As noted in Liebow et al. (2004), the some 40 residents who participated in the program during the demonstration period did not mainly engage in neighbor-to-neighbor service exchanges but in volunteering on behalf of the community, and they mostly redeemed their volunteer hours for rent discounts or computers, not individual services.

able (in mid- to late 2000 in most sites) and, in general, before the program reached a more mature stage of operations after the initial rollout period.

Table 2.1 shows just how much out-migration the Jobs-Plus and comparison sites experienced. These rates were much higher than was anticipated at the start of the demonstration. Move-out rates in Seattle — and in Los Angeles and St. Paul — were considerably lower than at the other sites, though hardly trivial. In Seattle, however, the move-out rate jumped by 21 percentage points between the third and fourth years as relocations under HOPE VI began to increase.

Move-out rates were highest in Baltimore, Chattanooga, and Dayton, where public housing functioned as transitional housing or housing of last resort for a large proportion of families. In those developments, over half the 1998 cohort (from 51 percent to 58 percent) had moved out within three years, with a quarter or more leaving as early as within one year. Softer housing markets in the Baltimore and Dayton areas undoubtedly contributed to these higher move-out rates. In addition, concerns over safety and drug use in the surrounding community and at the three developments were important factors propelling some residents to leave if they could.⁷

The combination of a slow implementation of Jobs-Plus and, in some sites, a high move-out rate means that many residents in the 1998 cohort were never exposed to a full and mature Jobs-Plus program, making it harder, of course, for Jobs-Plus to affect their earnings and employment (see Chapter 3). Moreover, participation measures based on that cohort's experiences may underestimate what the response to Jobs-Plus would have been had it already been operating in a way that was closer to its designers' original vision. The supplementary 2000 cohort helps to correct for this limitation. It includes residents living in the Jobs-Plus developments in 2000 — about the time that fully formed Jobs-Plus programs were finally in place.⁸ However, the supplementary cohort was not used for the impact analysis in Seattle because evidence suggested that its Jobs-Plus and comparison tenants were not sufficiently comparable due to the relocation under way at Rainier Vista. Thus, in reporting impact findings, the next chapter focuses only on the 1998 cohort.

⁷A special analysis of residential mobility among residents of the Jobs-Plus developments found that being a victim of crime or threatening behavior was correlated with the likelihood of subsequently moving (see Verma, 2003).

⁸The 2000 cohort includes residents from the 1998 cohort who did not move away and any new tenants who moved into the development after 1998 and were living there in 2000. The impact analysis for the national demonstration uses the 2000 cohort to produce a supplementary set of impact estimates in all sites except Seattle.

The Jobs-Plus Demonstration

Table 2.1

**Move-Out Rates for the 1998 Cohort of Residents
of Jobs-Plus and Comparison Developments**

Site and Development	Percentage Moving Out Within:			
	One Year	Two Years	Three Years	Four Years
<u>Seattle</u>				
Jobs-Plus development	11	18	31	52
Comparison development	16	28	37	43
<u>Baltimore</u>				
Jobs-Plus development	30	41	51	65
Comparison developments	21	29	35	46
<u>Chattanooga</u>				
Jobs-Plus development	26	36	52	63
Comparison developments	27	40	59	71
<u>Dayton</u>				
Jobs-Plus development	35	48	58	67
Comparison developments	44	54	67	72
<u>Los Angeles</u>				
Jobs-Plus development	9	17	22	27
Comparison development	15	24	30	46
<u>St. Paul</u>				
Jobs-Plus development	14	27	38	51
Comparison development	31	39	49	56
<u>All sites combined</u>				
Jobs-Plus developments	21	31	42	54
Comparison developments	26	36	46	56

SOURCE: MDRC calculations using data from housing authority tenant (50058) records.

NOTES: The 1998 cohort includes all residents of a Jobs-Plus development or a comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

The follow-up period for calculating the move-out rates began in October 1998.

Substantial Engagement That Varied over Time and by Location

Records kept by Jobs-Plus offer one source of insight into residents' uses of the program's services and incentives and how those patterns varied across sites and cohorts.⁹ Using those data, this section presents findings on two broad measures:

- The Jobs-Plus *rent incentives take-up rate*, which refers to the percentage of all targeted residents (not just working residents) who belonged to households receiving Jobs-Plus rent incentives.¹⁰
- The Jobs-Plus *attachment rate*, which refers to the percentage of all targeted residents who were personally enrolled in Jobs-Plus or, even if not enrolled, who belonged to households receiving Jobs-Plus rent incentives. Being “enrolled” means that a resident signed up for Jobs-Plus, and it is a reasonable indicator of having received at least some case management or other assistance.¹¹ The attachment rate is thus a fairly inclusive measure of formal involvement or connection to Jobs-Plus, because it counts as “attached” people who met either one of these two conditions.

Table 2.2 shows both these rates for all six sites in the demonstration. In Seattle, 42 percent of the residents in the 1998 cohort were living in a household that received a rent incentive. This rate increased slightly to 50 percent for the 2000 cohort. While the Seattle site began offering rent incentives earlier than all but one other site in the demonstration, the program also closed enrollment for incentives earlier — in May 2001 — than the other sites, where enrollment lasted at least through December 2003. Seattle closed off new enrollments for rent incentives earlier because no new households moved into Rainier Vista after December 1999, and the

⁹Enrollment data in all sites except Seattle were collected from each Jobs-Plus program through an on-site review of the case files that were maintained on each program participant; in Seattle, the data came from electronic records kept by the program (see Kato, 2003a). Data on rent incentives were obtained through payment spreadsheets maintained by the programs and provided to MDRC (see Gardenhire-Crooks, 2004). Data collection for the enrollment analysis covers the period from the start of Jobs-Plus in early 1998 (the exact startup date varied by site) through June 2001. Data on the use of financial rent incentives cover the period ending in December 2002. On average, the length of follow-up for participation was shorter for residents of the 2000 cohort than it was for the 1998 cohort.

¹⁰A household needed to have at least one working member in order to be eligible for the rent incentives.

¹¹When residents showed up at the Jobs-Plus office to enroll, staff often wanted to take advantage of their presence there to begin an immediate discussion about their circumstances and job interests and how the program could help them. After residents were enrolled, they could be provided with job search and job placement assistance, referred to education or training activities, or assisted through such support services as bus tickets and help in locating or paying for child care.

The Jobs-Plus Demonstration

Table 2.2

**Selected Measures of Jobs-Plus Participation for Targeted Residents in the
1998 and 2000 Cohorts in Seattle and Other Jobs-Plus Sites**

Measure	Seattle	Baltimore	Chattanooga	Dayton	Los Angeles	St. Paul	All Developments Combined
<u>Rent incentives receipt</u>							
Lived in a household that received rent incentives by December 2002 (%)							
1998 cohort	42	12	28	30	61	67	40
2000 cohort	50	19	38	60	72	77	53
<u>Attachment rate</u>							
Enrolled in Jobs-Plus by June 2001 or received rent incentives by December 2002 (%)							
1998 cohort	58	50	50	63	66	85	63
2000 cohort	67	61	66	96	76	88	77
<u>Sample size</u>							
1998 cohort	425	378	340	425	524	316	2,408
2000 cohort	398	340	373	321	598	319	2,349

SOURCES: MDRC calculations using data from Jobs-Plus case files, Jobs-Plus rent incentives records, and housing authority tenant (50058) records.

NOTE: In the average for all developments combined, the results for each housing development are weighted equally.

Jobs-Plus staff allowed up to one more year after that for any residents to register for the incentives. Had it been possible for Rainier Vista residents to sign up for incentives for this longer time period, participation rates for the component might have been higher.

Differences across sites were substantial. Baltimore ranked distinctively low on this measure, with 12 percent of residents in the 1998 cohort living in a household that received the incentives. This rate increased to only 19 percent for Baltimore's 2000 cohort. Chattanooga had the second-lowest rates (28 percent and 38 percent, respectively, for the two cohorts). The differences in participation rates between the earlier and the later cohorts were most pronounced in

Dayton. Here, the high move-out rate in combination with the late availability of the incentives limited their use by the 1998 cohort.

Finally, for all developments combined, about 40 percent of all targeted residents in the 1998 cohort had lived in households receiving the Jobs-Plus rent incentives at any time within the subsequent four years (that is, by December 2002). As expected, because many of these residents had moved before the incentives became available, the rates were higher for the 2000 cohort, climbing by 13 percentage points, to 53 percent.¹²

It might be thought that developments where the rent incentives take-up rates were lower were ones that had a smaller proportion of households with an employed member — a key eligibility requirement to receive the rent incentives. But this was not the case. In fact, residents' employment rates did not differ widely across the sites. Moreover, when rates of incentives use were calculated only for targeted households in the 2000 cohort that were eligible for the rent incentives (because they had at least one member employed), Baltimore still ranked lowest (23 percent), while Los Angeles and St. Paul ranked highest (75 percent and 84 percent, respectively).¹³ In Seattle's Rainier Vista, 59 percent of these households had signed up for incentives by December 2002. Thus, as in some other Jobs-Plus sites, a significant proportion of Rainier Vista households with working members did not enroll in incentives.

It appears that the very low incentives take-up rate in Baltimore and the higher rates in other sites resulted mostly from differences in the quality of administration and efforts to market the incentives to residents. In Seattle (and in Dayton and St. Paul), housing authority staff worked closely with Jobs-Plus staff on rent incentives. (Housing authority staff in St. Paul took the lead in promoting and signing residents up for the incentives.) In sharp contrast, the housing authority in Baltimore had made processing resident applications for Jobs-Plus rent incentives a lower priority, and residents who did sign up often had to wait months before the adjustments to their rental bills took effect. Sometimes, after they began paying a lower rent under the Jobs-Plus rules, the housing authority would mistakenly issue warning notices that they had not paid their full rent on time. Not surprisingly, these actions bred cynicism about Jobs-Plus among other residents. Overall, the Jobs-Plus programs like Seattle that most aggressively promoted

¹²For more detailed analyses of the use of rent incentives, see Gardenhire-Crooks (2004).

¹³The rates by site for households in the 2000 cohort with employed members were as follows: Baltimore, 23 percent; Dayton, 64 percent; Los Angeles, 75 percent; St. Paul, 84 percent; and Seattle, 59 percent. (Data limitations made it impossible to compute this measure for Chattanooga.) The rates for similar households in the 1998 cohort were somewhat lower: Baltimore, 17 percent; Dayton 33 percent; Los Angeles, 67 percent; St. Paul, 73 percent; and Seattle, 52 percent.

the use of the incentives and that built strong partnerships for this effort with the housing management office generated a better response to the offer.¹⁴

By reflecting either enrollment in Jobs-Plus or the use of its rent incentives or both, the attachment rate — a broader measure than the enrollment rate that has just been discussed — offers another way to gauge residents' formal connection to the program. This indicator shows that, in Seattle, 58 percent of the 1998 cohort and 67 percent of the 2000 cohort had a connection to Jobs-Plus. Across all developments, a majority of residents (63 percent of the 1998 cohort and 77 percent of the 2000 cohort) had a connection to Jobs-Plus — a significant accomplishment.

An analysis of program case file records on Jobs-Plus enrollees from 1998 through 2000 shows the extent to which residents participated in different types of employment-related activities (see Table 2.3).¹⁵ Across the developments, enrollees sought assistance with job referrals and job club/search and life-skills training more than other activities. In addition, education and training activities, such as English as a Second Language (ESL) and vocational training courses, were more commonly sought in Los Angeles and St. Paul than in the other sites. Overall, participation in such employment-related activities was considerably lower in Seattle than in the other sites.¹⁶

The case file data covered only recorded referrals to or participation in employment-related activities and not help given to participants to get access to support services, such as child care or transportation assistance. Moreover, these data do not capture the common practice across the sites of staff offering work-related counseling or guidance when residents called or dropped in to the Jobs-Plus office to check in, pick up bus tokens, or use the fax or copy machines. Qualitative data from staff interviews and case file narratives suggest that these informal encounters often led to extensive conversations about child care issues, a troublesome co-worker, or a difficult commute — in other words, they became opportunities for the program to offer substantive though unscheduled help with employment-related issues and barriers.

Conclusion

The data reviewed in this chapter show that the participation record for Seattle Jobs-Plus was strong, with the site registering participation rates that are in the mid-range of rates across the national demonstration. Jobs-Plus had indeed achieved considerable reach into the tenant population at Rainier Vista, navigating the crosscurrents of HOPE VI changes — and

¹⁴Gardenhire-Crooks (2004).

¹⁵The samples used for collecting these participation data on enrollees are too small to show a breakdown by type of activity for the 1998 or the 2000 cohort.

¹⁶See Kato (2003a) for an in-depth analysis of the patterns of service usage and the reasons for participation among Jobs-Plus residents.

The Jobs-Plus Demonstration

Table 2.3

**Rates of Participation in Various Jobs-Plus Activities
Among Jobs-Plus Enrollees Who Lived in the Developments Between 1998 and 2000**

Participation Measure (%)	Seattle	Baltimore	Chattanooga	Dayton	Los Angeles	St. Paul	All Developments Combined
Of those enrolled, ^a ever referred to or participated in:							
Job club/search	19	40	30	30	30	19	30
English as a Second Language (ESL) course	5	0	0	0	23	12	7
Adult Basic Education (ABE)	1	5	18	16	4	16	12
Postsecondary education	0	0	1	3	9	4	3
Vocational training	3	5	9	5	18	32	14
Work experience	6	0	1	3	26	3	7
Life-skills training	4	21	16	8	13	49	21
Any of the above activities ^b	31	48	47	46	70	83	59
Any of the above activities or referred to a job	NA	60	49	76	80	83	70
Sample size	256	58	98	63	39	134	392

SOURCES: MDRC calculations using data from Jobs-Plus case files and housing authority tenant (50058) records.

NOTES: The target sample includes all nondisabled residents aged 18 to 61 living in a household headed by a nondisabled resident between ages 18 and 61.

Participation measures were adjusted based on the findings of an effort undertaken to confirm the accuracy of data collected from the Jobs-Plus case files. This effort involved randomly selecting approximately 20 enrollees from each Jobs-Plus development. Jobs-Plus staff reviewed the collected data to see if any information had been missed about enrollees' service use.

In the averages for all developments combined, the results for each housing development are weighted equally.

^aBasic information about the characteristics of Jobs-Plus enrollees at the time of enrollment was collected for all Jobs-Plus enrollees. This table includes additional information on participation in Jobs-Plus activities that was collected for a random subsample of enrollees.

^bDoes not include orientation or assessment.

this accomplishment occurred despite the added challenges presented by an extraordinarily diverse population of tenants.

The data also suggest that Jobs-Plus had generally good reach across all the demonstration sites — localities that differed markedly in terms of crime and safety, residents’ racial and ethnic backgrounds and family structures, and other conditions. While the findings do not necessarily mean that the program intensively served most residents and cannot speak to the quality of the services provided,¹⁷ they make clear that Jobs-Plus “touched” in some way — through concrete services, rent incentives, and formal and informal counseling and support — a majority of the residents it aimed to help.

¹⁷Data on the duration of receipt of rent incentives indicate that many residents who took up this benefit used it for an extended period of time. For example, across the sites, 68 percent of the recipients used the incentives for over a year or more, and 32 percent used them for more than two years (Gardenhire-Crooks, 2004). These rates would have been even higher if the incentives had been available sooner and if the data collected for this part of the analysis had extended beyond 2002.

Chapter 3

Work Impacts on Public Housing Residents

This chapter examines the impacts of the Seattle Jobs-Plus program on public housing residents' earnings and work — that is, changes in these outcomes for the program group relative to the outcomes for the comparison group, which did not have access to Jobs-Plus. It places these findings in the context of the impacts seen in the other five Jobs-Plus sites. The chapter focuses on effects for people who were residents of public housing when the program was launched (1998), regardless of where they lived subsequently and where they had lived previously.¹

Specifically, this chapter addresses the following questions:

- By how much did Jobs-Plus increase the average earnings of public housing residents and the percentage of residents who were employed?²
- How did these effects vary during the six years of the follow-up period for the Jobs-Plus evaluation and across the six sites participating in the Jobs-Plus demonstration?

Findings indicate that at four of the six national study sites (including Seattle) where implementation of the program was strongest, Jobs-Plus markedly increased the earnings of public housing residents (with positive but less clear effects on employment rates) once the program was in place.³ These impacts are especially impressive, given that they persisted even through the onset of a national economic recession and that they represent “value added” by the program over and above any effects produced by recent national reforms to social support systems (welfare reform, public housing reform, and changes in the workforce development system). At three of those four sites (Dayton, Los Angeles, and St. Paul), program impacts were sustained for at least four years and showed no signs of diminishing. In Seattle, the effects of Jobs-Plus disappeared with the onset of the HOPE VI demolition and renovation program. At the remaining two sites, Baltimore and Chattanooga, where program implementation was problematic, Jobs-Plus had no effects on residents' earnings.

¹This chapter is drawn primarily from Bloom, Riccio, and Verma (2005).

²This study focuses on earnings and employment in the formal labor market. It does not examine residents' participation in “off-the-books” work activities (like babysitting and housekeeping) that might provide material resources but that were not recorded.

³See Chapter 3 of Bloom, Riccio, and Verma (2005) for a detailed analysis of the site variation in the quality of Jobs-Plus implementation.

Measuring Program Impacts

At each study site, one Jobs-Plus development and one or two comparison developments were randomly selected (through a lottery). Selection was made from a matched pair or triplet of eligible public housing developments nominated by the local public housing authority. Housing authority records were then used to identify all able-bodied working-age adults (defined as persons who were 21 to 61 years old and not listed as disabled) who were residents of the Jobs-Plus developments or the comparison developments when the demonstration was launched in October 1998. This group is referred to as the “1998 cohort.” Cohort members from the Jobs-Plus developments are referred to as “the Jobs-Plus group,” and those from comparison developments are referred to as “the comparison group.”

Data on total quarterly earnings were obtained for each 1998 cohort member from wage records of state Unemployment Insurance (UI) agencies. These data are used widely to evaluate welfare and employment programs and represent over 90 percent of the jobs in the formal labor market.⁴ UI wage records were obtained for up to six years before Jobs-Plus was launched (its baseline period) and six years after Jobs-Plus was launched (its follow-up period), regardless of where cohort members lived at the time. From these data, two measures were created for each Jobs-Plus group and comparison group. One measure, *average quarterly earnings*, is expressed in 2003 dollars and includes values of zero for persons who were not employed. The second measure, *quarterly employment rates*, is defined as the percentage of persons with any UI-reported earnings in a quarter.

The impact of Jobs-Plus on work was estimated by comparing changes in outcomes after Jobs-Plus was launched for the Jobs-Plus group with changes in outcomes for the comparison group.⁵

The Impacts of Jobs-Plus on Residents’ Work

This section examines the impacts of Jobs-Plus on average earnings and employment rates for the Seattle Jobs-Plus site and compares them with the findings for all sites in the demonstration.

Seattle: Substantial Early Gains Overtaken by HOPE VI Disruption

Figure 3.1 graphs average quarterly earnings and employment for the Jobs-Plus group and for the comparison group for Seattle. The graphs in the figure clearly illustrate that baseline

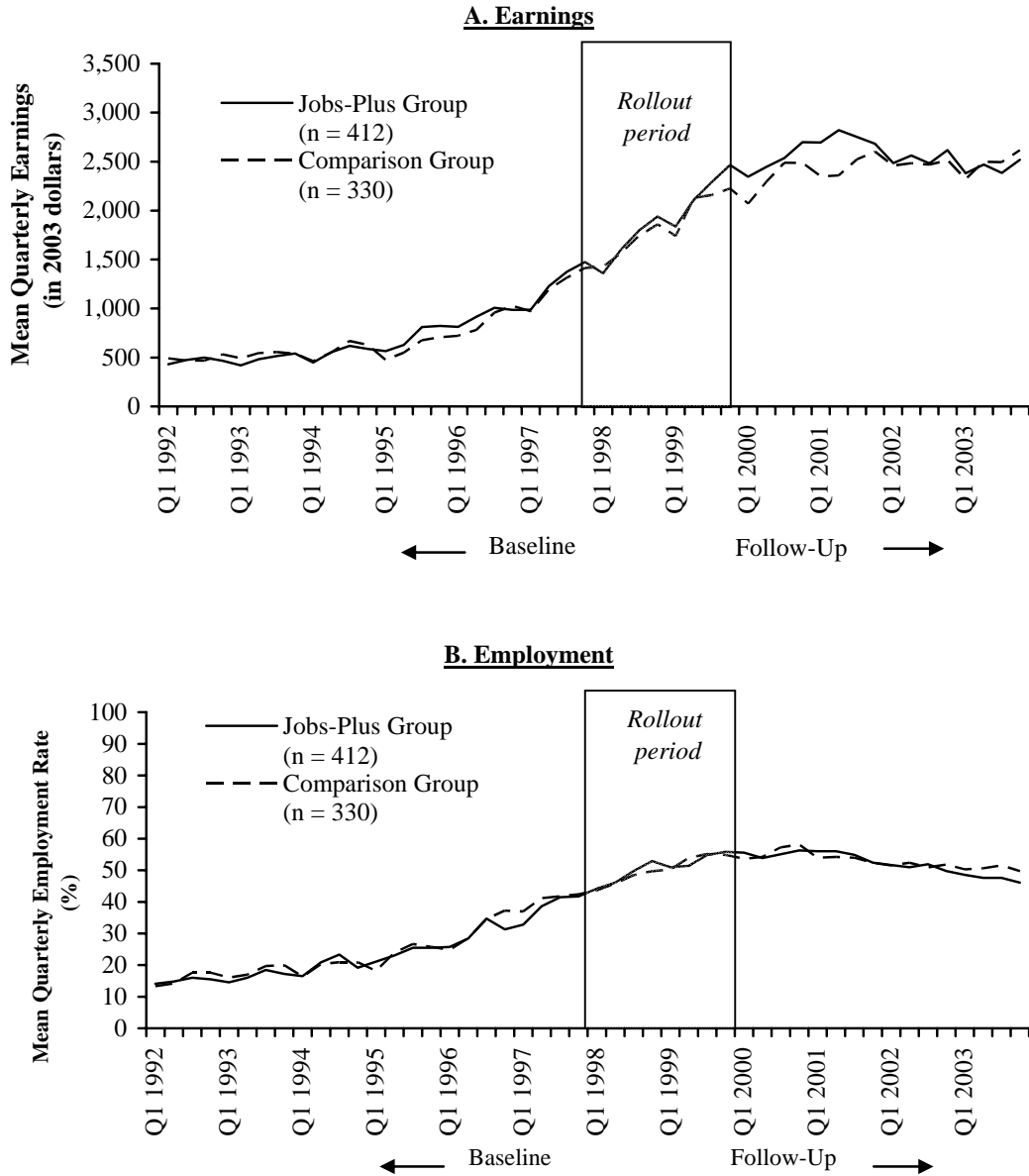
⁴Kornfeld and Bloom (1999).

⁵See Appendix D in Bloom, Riccio, and Verma (2005) for additional details on the impact analysis methodology.

The Jobs-Plus Demonstration

Figure 3.1

Average Quarterly Earnings and Employment for the Seattle Jobs-Plus Group and Its Comparison Group (1998 Cohort)



(continued)

Figure 3.1 (continued)

SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTES: The 1998 cohort includes all residents of the Jobs-Plus development or its comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

earnings rose rapidly for the Jobs-Plus group and the comparison group and that their baseline earnings trajectories were well matched.

The top panel of Figure 3.1 shows that the earnings trajectory of the Jobs-Plus group stayed close to that of the comparison group until late 1999, when it began to pull ahead, and that, from that point through 2001, it was well above that of the comparison group. This earnings advantage disappeared by the next year, however, most likely because of the disruption and dislocation produced by the HOPE VI renovation and relocation program that was getting under way. Thus, it appears that, as Jobs-Plus fully materialized in the site, it began to generate substantial earnings gains for residents but that these gains were overtaken by events. The expansion of employment services and the introduction of new rent incentives in the comparison site as part of the housing authority's Moving to Work demonstration may have also contributed to the decline in Seattle's impacts.⁶

Figure 3.2 presents statistical estimates of the effects of Jobs-Plus on earnings for each follow-up year in all six Jobs-Plus sites. For Jobs-Plus in Seattle, there were signs of substantial early program effects (\$615 in 2000 and \$1,050 in 2001). Thus, when a relatively strong program was in effect, the site was able to achieve its work-related goals. But this initial success was not sustained when the Jobs-Plus development underwent a HOPE VI transformation. As this transformation got under way, the extra earnings that had been stimulated by Jobs-Plus disappeared, and earnings levels returned to what they would have been without the program.

To put the Seattle findings into context, the remainder of Figure 3.2 presents the results from the other Jobs-Plus sites. For Jobs-Plus in Baltimore, there is no sign of a program effect on earnings during any year. All estimated effects are near zero, and none is statistically significant. Hence, the program in this site did not achieve its work-related goals. For Jobs-Plus in Chattanooga, there also was no sign of a positive effect on earnings. Annual impact estimates varied from slightly positive to negative after the program was launched, and all but one are not statistically significant.

⁶See Liebow et al. (2004).

The Jobs-Plus Demonstration

Figure 3.2

Average Annual Effects of Jobs-Plus on Earnings,
by Site (1998 Cohort)

	1998	1999	2000	2001	2002	2003
Seattle	-\$38 (-0.6%)	\$368 (4.4%)	\$615 (6.5%)	\$1,050*** (10.6%)	\$155 (1.6%)	-\$243 (-2.4%)
Baltimore	-\$149 (-2.9%)	\$269 (4.7%)	-\$60 (-0.9%)	-\$234 (-3.3%)	-\$188 (-2.6%)	-\$272 (-3.8%)
Chattanooga	\$12 (0.2%)	\$215 (3.3%)	\$483 (7.6%)	-\$92 (-1.4%)	-\$420 (-6.3%)	-\$865*** (-11.9%)
Dayton	\$119 (2.3%)	\$453 (6.8%)	\$734** (10.0%)	\$803*** (11.4%)	\$804** (11.5%)	\$1,239*** (19.7%)
Los Angeles	\$51 (0.8%)	-\$323 (-4.3%)	\$548 (7.1%)	\$1,165*** (15.7%)	\$1,415*** (19.0%)	\$1,351*** (17.6%)
St. Paul	\$388** (6.1%)	\$552*** (6.8%)	\$937*** (10.2%)	\$1,523*** (15.5%)	\$1,382*** (13.5%)	\$2,128*** (22.1%)

(continued)

Figure 3.2 (continued)

SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTES: All earnings effects are reported in 2003 dollars.

The 1998 cohort includes all residents of a Jobs-Plus development or a comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample sizes are 412 in the program group and 330 in the comparison group in Seattle; 345 in the program group and 610 in the comparison group in Baltimore; 278 in the program group and 502 in the comparison group in Chattanooga; 340 in the program group and 595 in the comparison group in Dayton; 446 in the program group and 385 in the comparison group in Los Angeles; 302 in the program group and 229 in the comparison group in St. Paul.

For Jobs-Plus in Dayton, Los Angeles, and St. Paul (all strong implementation sites), there are substantial estimated program effects on earnings during every year from 2000 to 2003.⁷ Program-induced earnings gains ranged from \$734 to \$1,239 (10.0 percent to 19.7 percent) in Dayton, from \$548 to \$1,415 (7.1 percent to 19.0 percent) in Los Angeles, and from \$937 to \$2,128 (10.2 percent to 22.1 percent) in St. Paul. Therefore, there is considerable evidence that Jobs-Plus was successful in achieving its work-related goals in these sites. These positive effects were sustained through the end of the follow-up periods, and, in two of those three sites, grew larger in the final year.

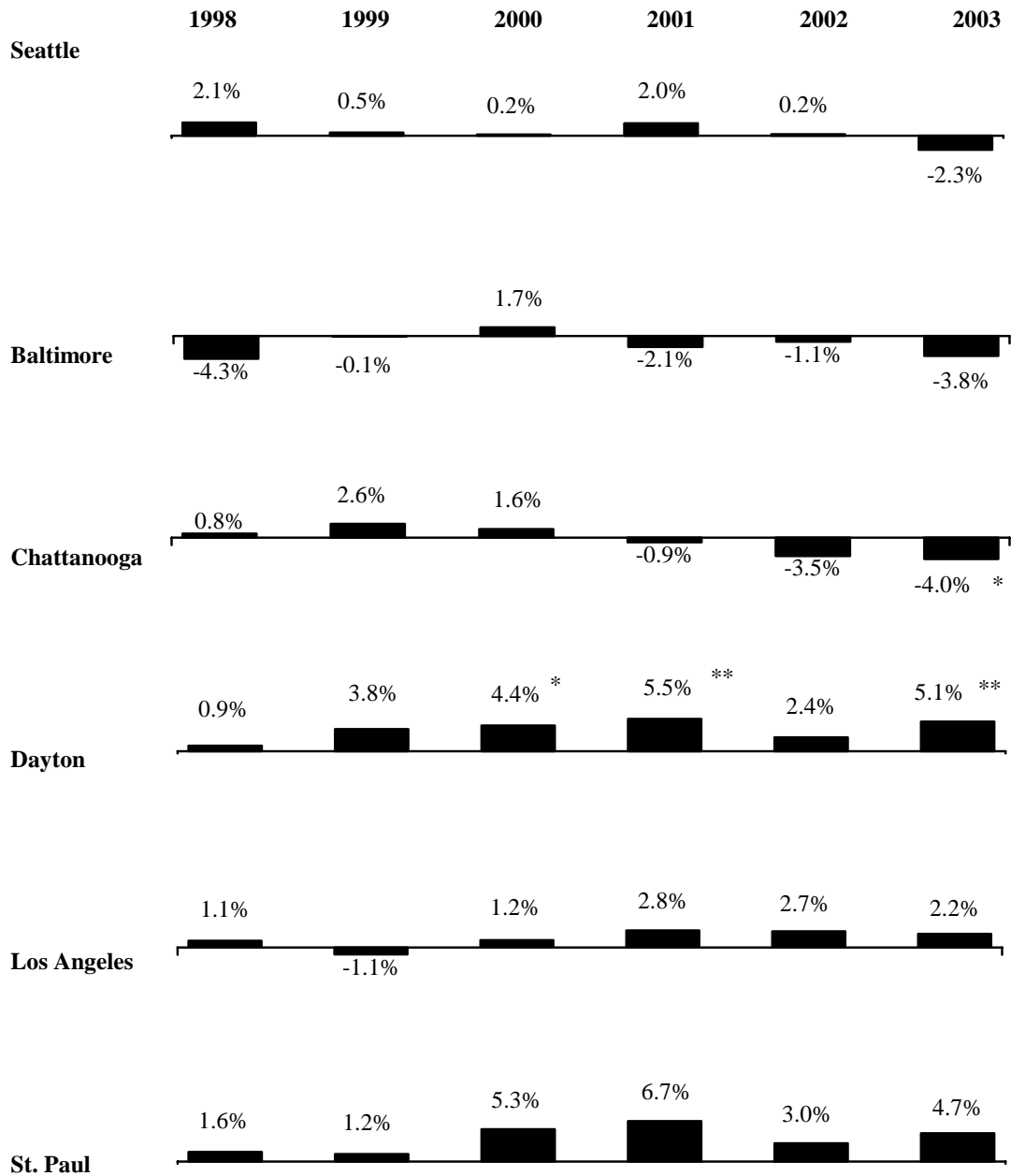
To complete this part of the analysis, Figure 3.3 presents site-by-site estimates of the impacts of Jobs-Plus on mean quarterly employment rates by follow-up year. The findings for Seattle show the program's impacts on employment rates were near zero throughout the follow-up period. (See also the bottom panel of Figure 3.1 for the employment trajectories of the Seattle program and comparison groups.) The largest employment effects are in Dayton and St. Paul, but only Dayton's are statistically significant. On balance, the three sites with the largest and most sustained program effects on earnings exhibit some evidence of a corresponding but proportionately smaller effect on employment rates. For Seattle, where earnings effects were not sustained, there is little or no sign of a program effect on employment rates.

⁷During 2000, the estimated earnings effect for the Los Angeles site was substantial but not yet statistically significant. The site, which had a slow startup due to housing authority-related staffing gaps, leadership turnover, and equipment needs, was reconstituted in 2001.

The Jobs-Plus Demonstration

Figure 3.3

Average Annual Effects of Jobs-Plus on Employment Rates,
by Site (1998 Cohort)



(continued)

Figure 3.3 (continued)

SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTES: The 1998 cohort includes all residents of a Jobs-Plus development or a comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; * = 10 percent.

Sample sizes are 412 in the program group and 330 in the comparison group in Seattle; 345 in the program group and 610 in the comparison group in Baltimore; 278 in the program group and 502 in the comparison group in Chattanooga; 340 in the program group and 595 in the comparison group in Dayton; 446 in the program group and 385 in the comparison group in Los Angeles; 302 in the program group and 229 in the comparison group in St. Paul.

Large Earnings Impacts and Smaller Employment Impacts for All the Sites Combined

Although the full story of the effects of Jobs-Plus lies in the site-by-site details, it is useful to examine the data combined across sites — to help put the Seattle results into context. Because the implementation success of Jobs-Plus varied so much across sites, Figure 3.4 combines the sites in two different ways. The graph in Panel A combines all the sites, thus addressing the question “What is the average earnings impact of Jobs-Plus for all versions of the program that are implemented?” The graph in Panel B combines the three sites (Dayton, Los Angeles, and St. Paul) that had stronger implementation (and were not disrupted like Seattle), thus addressing the question: “What is the average impact of Jobs-Plus when it is implemented relatively well?”

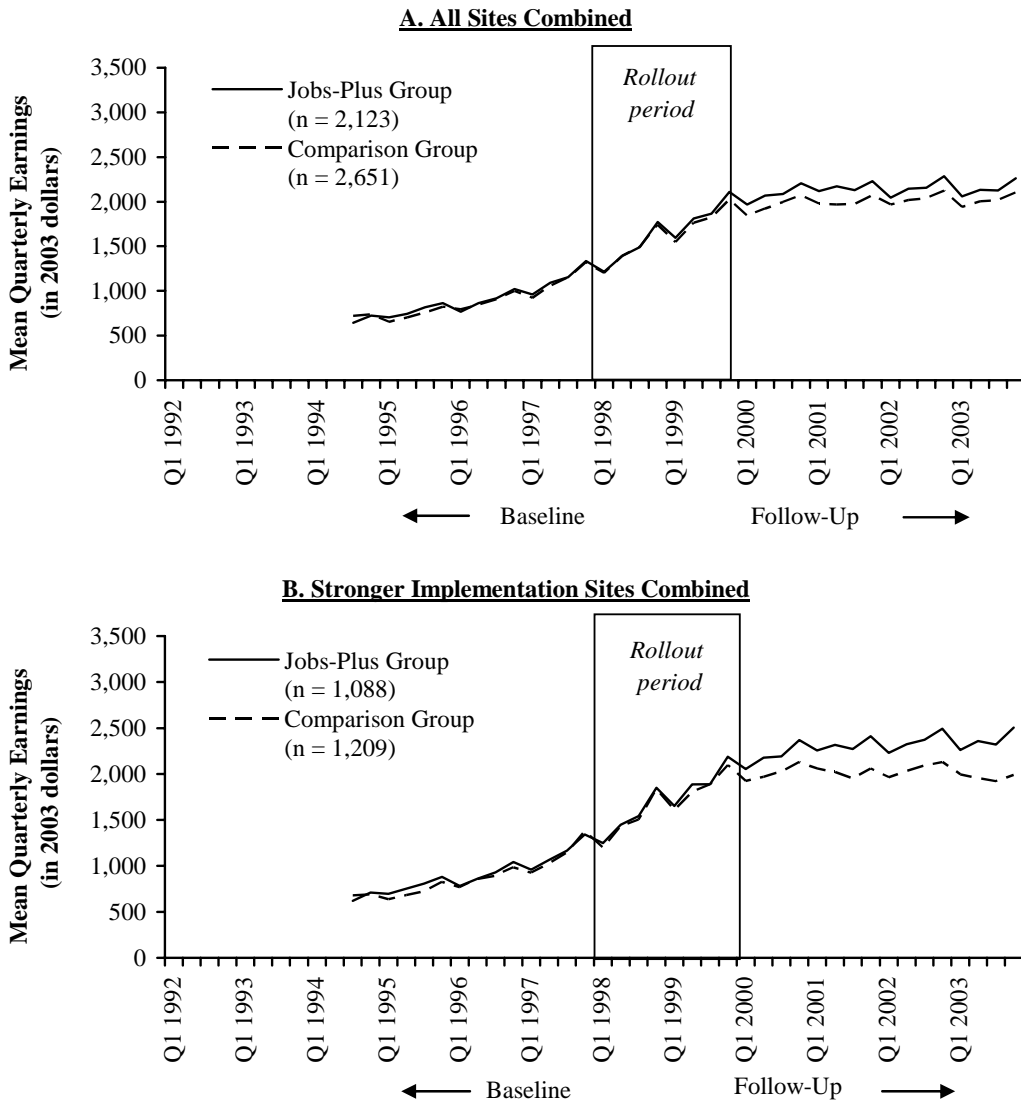
The graphs illustrate the time paths of average quarterly earnings with each site weighted equally.⁸ Findings for the Jobs-Plus group are represented by a solid line, and those for the comparison group are represented by a dashed line. The baseline period in the figure is from 1994 through 1997 — the pre-program years for which all sites had data. This is followed by data for the two-year program rollout period (1998 and 1999), plus data for four more years after the program was implemented (2000 through 2003).

⁸Mean quarterly earnings and quarterly employment rates were computed for the combined Jobs-Plus group by summing the corresponding site-specific means or rates and dividing by the number of sites. Findings for the combined comparison group were computed similarly. For sites with two comparison developments, an equally weighted average was computed for these developments before the site’s comparison-group findings were averaged with those for the other sites.

The Jobs-Plus Demonstration

Figure 3.4

Pooled Average Quarterly Earnings for the Jobs-Plus Group and Its Comparison Group (1998 Cohort)



SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTE: The 1998 cohort includes all residents of a Jobs-Plus development or a comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

Consider the findings for all sites combined (Panel A of Figure 3.4). First, note that mean quarterly earnings for the Jobs-Plus group and the comparison group roughly doubled during the four baseline years in the figure. When presented with more job opportunities produced by a dynamic economy, public housing residents in the sample substantially increased their work in the formal labor market. Next, note that quarterly earnings for the Jobs-Plus group and the comparison group were virtually identical throughout the baseline period. Hence, these groups were well matched for a long time.

While the program was being rolled out, earnings for the Jobs-Plus group and comparison group continued to rise at the same rate. But once the program was implemented, the Jobs-Plus group began to pull ahead, and its lead was sustained for the rest of the follow-up period. Thus, on average, Jobs-Plus increased the earnings of public housing residents once the program was in place.

Panel B of Figure 3.4 presents the results for the three stronger implementation sites combined (Dayton, Los Angeles, and St. Paul). It illustrates the same rapidly rising baseline earnings levels and the close match for the two study groups, which continued throughout the rollout period. However, the subsequent earnings gains for the Jobs-Plus group in this graph are much larger than in Panel A. This indicates that when Jobs-Plus was implemented relatively well, its effects on earnings were much larger than average.

Table 3.1 presents the results of a statistical analysis of the quarterly earnings, showing findings for Jobs-Plus Seattle, all sites combined, and for the three stronger implementation sites. Consider the findings for Seattle (Panel A). The first column indicates that average annual earnings for the Jobs-Plus group continued to rise, from \$6,705 in 1998 to \$10,952 in 2001, followed by a slight decline thereafter as the national economic recession set in. The second column indicates that, *relative to the comparison group*, Jobs-Plus changed the average earnings of residents in Rainier Vista by -\$38 and \$368 during 1998 and 1999, when the program was being implemented. However, in following years (2000 to 2003), it increased residents' average earnings relative to the comparison group by an average of \$394 per year.

The third column of Panel A in Table 3.1 presents estimates of what average earnings would have been for the Jobs-Plus group without the program. This equals the difference between earnings that actually were observed for the Jobs-Plus group and the estimated program effect. For example, the \$6,705 of estimated earnings without Seattle Jobs-Plus in 1998 equals the observed earnings of \$6,743 minus the estimated program effect of -\$38. This result provides a basis for expressing program effects as a percentage of what earnings would have been without the program, which are referred to as "percentage changes" and are reported in the rightmost column. For example, the estimated \$394 average annual program effect for the period 2000 to 2003 represents a 4 percent gain relative to what earnings would have been without Jobs-Plus.

The Jobs-Plus Demonstration

Table 3.1

**Pooled Average Annual Outcomes for Earnings,
by Site Combination and Follow-Up Period (1998 Cohort)**

Follow-Up Period	Observed Outcome with Jobs-Plus	Estimated Effect of Jobs-Plus	Estimated Outcome Without Jobs-Plus	Estimated Percentage Change in Outcome Due to Jobs-Plus
<u>A. Seattle (\$)</u>				
1998	6,705	-38	6,743	-0.6%
1999	8,707	368	8,339	4.4%
2000	10,026	615	9,411	6.5%
2001	10,952	1,050 ***	9,902	10.6%
2002	10,148	155	9,993	1.6%
2003	9,755	-243	9,998	-2.4%
2000-2003	10,220	394 **	9,826	4.0%
<u>B. All Sites Combined (\$)</u>				
1998	5,865	-4	5,869	-0.1
1999	7,379	180	7,199	2.5
2000	8,329	461 **	7,868	5.9
2001	8,649	619 ***	8,030	7.7
2002	8,629	440 **	8,189	5.4
2003	8,578	472 **	8,106	5.8
2000-2003	8,546	498 ***	8,048	6.2
<u>C. Stronger Implementation Sites Combined (\$)</u>				
1998	6,089	173	5,916	2.9
1999	7,619	209	7,410	2.8
2000	8,793	714 **	8,079	8.8
2001	9,256	1,135 ***	8,121	14.0
2002	9,419	1,171 ***	8,248	14.2
2003	9,443	1,543 ***	7,900	19.5
2000-2003	9,228	1,141 ***	8,087	14.1

SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTES: All findings are reported in 2003 dollars.

The 1998 cohort includes all residents of a Jobs-Plus development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; and * = 10 percent.

There were 412 persons in the Jobs-Plus group and 330 persons in the comparison group for Seattle.

There were 2,123 persons in the Jobs-Plus group and 2,651 persons in the comparison group for all sites combined. There were 1,088 persons in the Jobs-Plus group and 1,209 persons in the comparison group for the stronger implementation sites combined.

Results for all six sites combined are shown in Panel B of Table 3.1. Consistent with the results for Seattle, the first column indicates that average annual earnings for the Jobs-Plus group continued to rise, from \$5,865 in 1998 to \$8,649 in 2001, followed by a slight decline thereafter. In following years (2000 to 2003), Jobs-Plus increased residents' average earnings relative to the comparison group by an average of \$498 per year, or a 6.2 percent gain relative to what earnings would have been without Jobs-Plus.

Results for the stronger implementation sites in Panel C of Table 3.1 indicate much larger effects once the program was implemented. These estimates range from \$714 (8.8 percent) in 2000 to \$1,543 (19.5 percent) in 2003, for an average of \$1,141 per year (14.1 percent) from 2000 to 2003. This implies that Jobs-Plus increased total earnings per person by \$4,564 over four years. Therefore, the results of the statistical analysis mirror those of the graphical analysis, with both indicating that the effects of Jobs-Plus on earnings were much greater than average in sites where the program was implemented relatively well.

Figure 3.5 presents graphical analyses of quarterly employment rates. Results in Panel A for all sites combined illustrate that employment rates rose dramatically, from about 30 percent in 1994 to about 50 percent in 1998. This was the case for both the Jobs-Plus group and the comparison group. Thus, prior to the launch of Jobs-Plus, the two groups were well matched in terms of employment rates. However, the rapid escalation of employment rates that occurred during the baseline period "raised the bar" on the program considerably in terms of what was required to produce future employment gains.⁹

The employment rates of the Jobs-Plus group and comparison group remained similar until early 2000, when the Jobs-Plus group began to move ahead slightly. This small advantage fluctuated over time but was sustained for the rest of the follow-up period. Therefore, the graph provides visual evidence of a small program-induced increase in quarterly employment rates for all sites combined.

Panel B of Figure 3.5 displays a more pronounced pattern for the three stronger implementation sites. This suggests that Jobs-Plus produced larger-than-average increases in employment rates for sites that implemented the program relatively well.

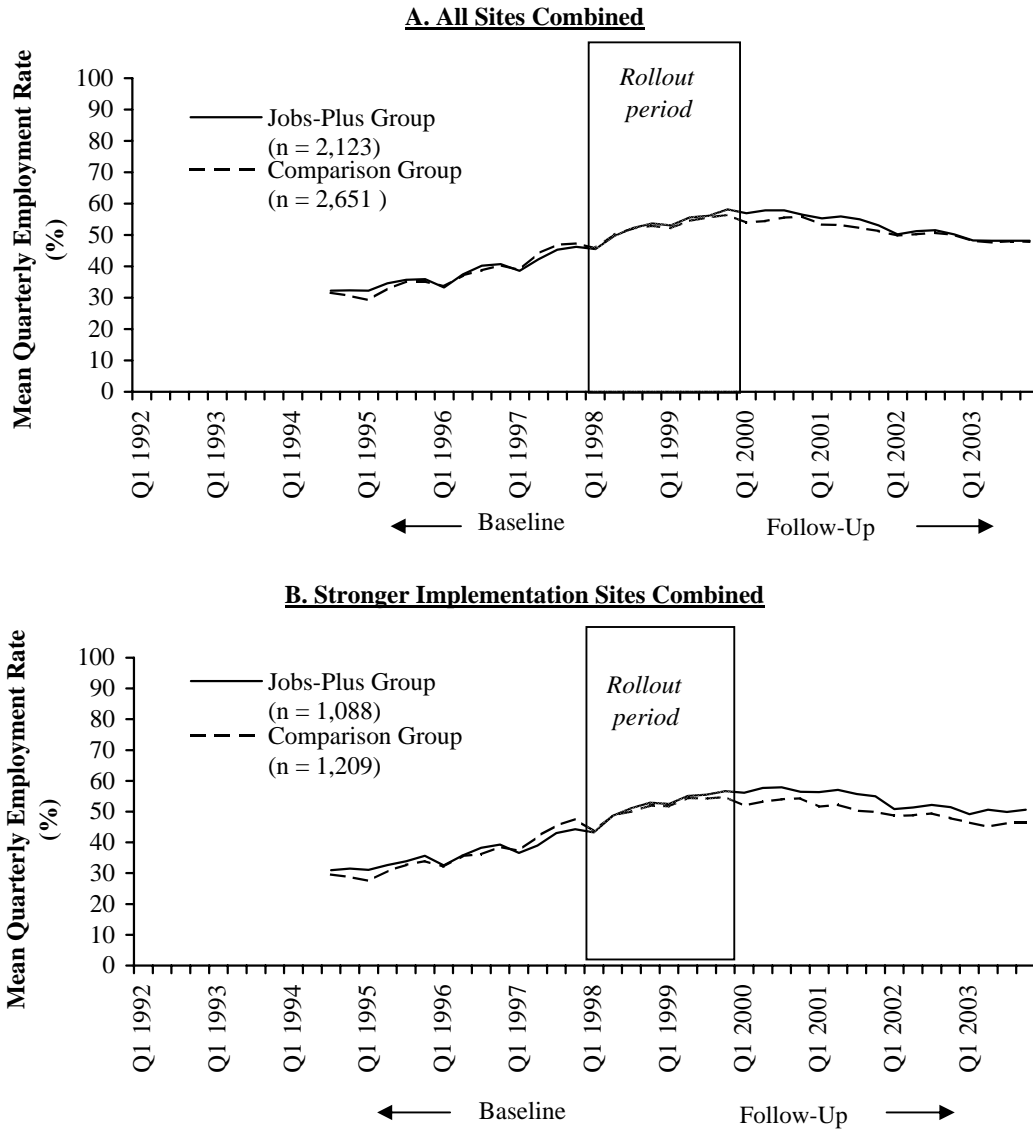
Table 3.2 presents the results of a statistical analysis of the employment rates. Findings are presented in terms of annual average quarterly employment rates — the mean percentage of sample members employed per quarter. For example, the 1998 rate of 48.2 percent for the Seattle Jobs-Plus group (Panel A) implies that close to half its members were employed during a quarter.

⁹It is also important to note that because employment impacts are based on quarterly UI data, the analysis of employment rates does not capture any impact that Jobs-Plus may have had in reducing the length of time out of work *within* a given quarter.

The Jobs-Plus Demonstration

Figure 3.5

Pooled Average Quarterly Employment Rates for the Jobs-Plus Group and Its Comparison Group (1998 Cohort)



SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTE: The 1998 cohort includes all residents of a Jobs-Plus development or a comparison development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

The Jobs-Plus Demonstration

Table 3.2

**Pooled Average Annual Outcomes for Quarterly Employment Rates,
by Site Combination and Follow-Up Period (1998 Cohort)**

Follow-Up Period	Observed Outcome with Jobs-Plus	Estimated Effect of Jobs-Plus	Estimated Outcome Without Jobs-Plus	Estimated Percentage Change in Outcome Due to Jobs-Plus
<u>A. Seattle (%)</u>				
1998	48.2	2.1	46.1	4.6%
1999	53.3	0.5	52.8	0.9%
2000	55.2	0.2	55.0	0.4%
2001	54.9	2.0	52.9	3.8%
2002	51.1	0.2	50.9	0.4%
2003	47.5	-2.3	49.8	-4.6%
2000-2003	52.2	0.0	52.2	0.0%
<u>B. All Sites Combined (%)</u>				
1998	50.3	0.5	49.8	1.0
1999	55.7	1.0	54.7	1.8
2000	57.3	2.2	55.1	4.0
2001	54.8	2.1	52.7	4.0
2002	50.8	0.4	50.4	0.8
2003	48.2	0.1	48.1	0.2
2000-2003	52.8	1.2	51.6	2.3
<u>C. Stronger Implementation Sites Combined (%)</u>				
1998	49.0	2.9	46.1	6.3
1999	54.9	2.8	52.1	5.4
2000	57.0	4.7	52.3	9.0
2001	56.0	5.8	50.2	11.6
2002	51.5	3.3	48.2	6.8
2003	50.1	4.5	45.6	9.9
2000-2003	53.6	4.6	49.0	9.4

SOURCES: MDRC calculations using data from housing authority tenant (50058) records and state Unemployment Insurance (UI) wage records.

NOTES: The 1998 cohort includes all residents of a Jobs-Plus development in October 1998 who were between 21 and 61 years old and were not listed as disabled by their public housing authority.

Statistical significance levels are indicated as *** = 1 percent; ** = 5 percent; and * = 10 percent.

There were 412 persons in the Jobs-Plus group and 330 persons in the comparison group for Seattle.

There were 2,123 persons in the Jobs-Plus group and 2,651 persons in the comparison group for all sites combined. There were 1,088 persons in the Jobs-Plus group and 1,209 persons in the comparison group for the stronger implementation sites combined.

Results for employment rates follow a pattern over time that is similar to that for earnings. For example, the average quarterly employment rate for Seattle Jobs-Plus rose from 48.2 percent in 1998 to 55.2 percent in 2000 and then fell somewhat as the national recession set in. However, the estimated effects of Jobs-Plus on employment rates are less striking than those for earnings. This is true for Seattle and all sites combined (Panel B). The findings for Seattle show that the program's impact on employment rates was near zero throughout the follow-up period (Panel A). For all sites, from 2000 to 2003, Jobs-Plus was estimated to have increased rates by only 1.2 percentage points — or 2.3 percent of what they would have been without the program. This finding is not statistically significant, meaning it is not outside the range of variation that could have occurred by chance due to random period-to-period fluctuation.

Findings for the three stronger implementation sites (Panel C) indicate a program effect on employment rates that is four times that for all sites combined but is still not statistically significant — leaving considerable uncertainty about the result. For these sites, the data suggest that Jobs-Plus increased employment rates during the period from 2000 to 2003 by 4.6 percentage points, from 49.0 percent in the absence of the program to 53.6 percent when it operated. This implies that Jobs-Plus increased employment rates by 9.4 percent of what they would have been otherwise, which, in turn, implies that the program increased the number of persons employed per quarter by 9.4 percent.

Conclusion

This chapter presents strong evidence that where and when Jobs-Plus was implemented relatively well, it produced large earnings gains for public housing residents and proportionally smaller gains in employment rates. In the three sites that built and sustained strong programs, Jobs-Plus had an earnings effect that averaged 14 percent per year — and nearly 20 percent in year four. The earnings impacts for Seattle, another strong site, grew larger over time, but they then disappeared when its residents were relocated by HOPE VI renovation efforts.

The Jobs-Plus findings are based on a strong evaluation design that gives them substantial credibility. Randomly choosing Jobs-Plus developments and comparison developments eliminates the potential for “stacking the deck” for or against the program. Grounding estimates of program impacts on many years of baseline and outcomes data provides a substantial basis for gauging the program's ultimate success. This is especially important for complex, large-scale projects like Jobs-Plus that take a long time to implement and thus require the passage of considerable time before their results can be seen. Further enhancing the credibility and utility of the findings is the fact that the patterns of program effects (both across sites and over time) closely match corresponding patterns in the program's implementation — suggesting that the overall pattern of findings accords well with the theory of the program. The findings from the Seattle program, with some positive outcomes that were sustained until some residents relocated as a result of HOPE VI, offer one illustration of the fit between program effects and implementation patterns in the demonstration.

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