

# A REPORT ON COMMUNITY ACTION'S PROGRESS IN COMMUNITY ECONOMIC DEVELOPMENT

Analysis of CED-related National Performance Indicators for 2008-2010



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## **Background**

### **National Performance Goals and Indicators**

The Community Services Block Grant (CSBG) Act Section 678E(a)(1) required States administering CSBG to implement by FY 2001 a management and evaluation strategy that measures and reports the performance outcomes of CAAs.

From 2001 to 2003, the federal HHS Office of Community Services (OCS) worked with national, State, and local CAA officials to identify the kinds of results and performance targets that best reflect the multi-faceted work of CAAs. Priority was given to targets that could be collected and reported in a manner that presented an accurate indication of national impact. Results of this collaboration include the National Performance Indicators, used to organize and report FY 2010 outcomes, and the identification of the four performance indicators for which target information is collected.

### **National Performance Goals**

States and CAAs receiving CSBG funds have been working to achieve six national performance goals:

Goal 1: Low-income people become more self-sufficient.

Goal 2: The conditions in which low-income people live are improved.

Goal 3: Low-income people own a stake in their community.

Goal 4: Partnerships among supporters and providers of services to low-income people are achieved.

Goal 5: Agencies increase their capacity to achieve results.

Goal 6: Low-income people, especially vulnerable populations, achieve their potential by strengthening family and other supportive systems.

### **National Performance Indicators**

To enable greater aggregation and national reporting of the most universal and significant CSBG results among States and CAAs, 12 common categories, or indicators, of CAA performance were identified from FYs 2001 to 2003 data. From FYs 2004 to 2008, the 12 National Performance Indicators (NPIs) measured the impact of CSBG Network programs and activities on families and communities. Beginning in FY 2009, the number of indicators was expanded to 16. The NPIs are related to the six national performance goals in that they measure incremental progress toward achieving each of the larger goals, which require specific steps along the way to success.

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The NPIs cover the following outcome areas:

- 1.1 – Employment
- 1.2 – Employment Supports
- 1.3 – Economic Asset Enhancement and Utilization
- 2.1 – Community Improvement and Revitalization
- 2.2 – Community Quality of Life and Assets
- 2.3 – Community Engagement
- 2.4 – Employment Growth from Recovery Act Funds
- 3.1 – Civic Investment
- 3.2 – Community Empowerment through Maximum Feasible Participation
- 4.1 – Expanding Opportunities through Community-Wide Partnerships
- 5.1 – Agency Development
- 6.1 – Independent Living
- 6.2 – Emergency Assistance
- 6.3 – Child and Family Development
- 6.4 – Family Supports (Seniors, Disabled and Caregivers)
- 6.5 – Service Counts

Moreover, while establishing common definitions for reporting family, community, and agency improvement outcomes, the NPIs enable States and CAAs to convey broad family and community outcomes. These outcomes are the result of the strategic use of a variety of change mechanisms, including service provision and program coordination, both within each agency and with partnering organizations in the broader community.

## **Community Economic Development Indicators**

The Community Service Block Grant network collects performance data on several indicators that are closely tied to community economic development activities. These indicators include:

NPI 1.3 – Economic Asset Utilization

NPI 2.1 – Community Improvement and Revitalization

NPI 2.2 – Community Quality of Life and Assets

NPI 3.2 – Community Empowerment through Maximum Feasible Participation

NPI 4.1 – Expanding Opportunities through Community Wide Partnerships

This report will look closely at each of these community economic development-related indicators and evaluate the Network's progress and accomplishments for the period of 2008-2010.

**NPI 1.3: Economic Asset Utilization**

U2: Participants opening an Individual Development Account (IDA) or other savings account.

U3. Participants increase their savings through IDA or other savings accounts.

U4a. Participants capitalize a small business with accumulated savings.

U4b. Participants pursue postsecondary education with accumulated savings.

U4c. Participants purchase a home with accumulated savings.

U4d. Participants purchase other assets with accumulated savings.

When individuals earn and spend money in their community, the community as a whole is likely to benefit. NPI 1.3 measures low-income individuals’ increase in assets, as a result of Community Action involvement, and then tracks how these assets are invested in the local community.

	2008	# CAAs	2009	# CAAs	2010	#CAAs
<b>Opened Savings Account</b>	6,479	256	6,486	265	21,860	332
<b>Increased Savings</b>	N/A	N/A	5,676	187	19,631	301

The above table presents the number of individuals achieving a specific outcome (like opening a savings account) in each year. The indicator for increased savings was added in 2009, thus data are not available for 2008. The number of CAAs represents the number of agencies submitting data for each indicator in the given year. An increase in the number of CAAs submitting data each year demonstrates increasing involvement of the CAAs in the particular community economic development activity. For example, from the above table we can conclude that the number of CAAs with programs in place which encourage participants to open savings accounts has increased from 256 CAAs in 2008 to 332 CAAs in 2010. This is an encouraging trend.

**Figure 1: Economic Asset Utilization 2008-2010 Trends**



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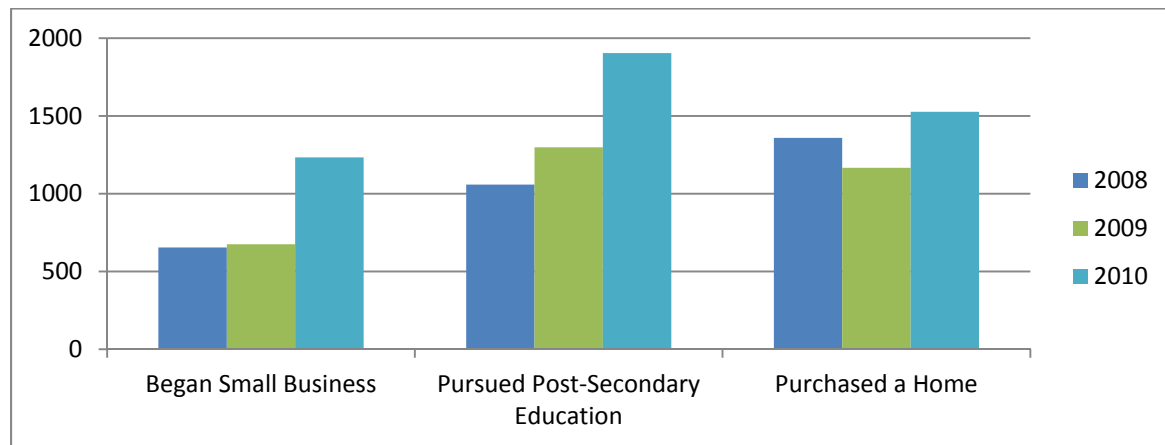
A three year trend reveals a jump in the number of families showing improvements in asset building. The number of families opening a savings account and increasing savings in 2010 has more than tripled over 2009.

The below chart provides a three year trend detailing how these assets were invested:

	2008	# CAAs	2009	# CAAs	2010	#CAAs
<b>Began Small Business</b>	654	115	675	129	1,234	203
<b>Pursued Post-Secondary Education</b>	1,059	149	1,298	168	1,904	222
<b>Purchased a Home</b>	1,359	202	1,167	198	1,527	257

Beginning a small business, obtaining a college education, and purchasing a home are all investments that benefit the entire community. A small business is likely to create jobs in the area and encourage other economic development. An individual who obtains a college education is not only contributing financial support to the local college or university, but also benefits the community by contributing new skills and knowledge. Purchasing a home in their community strengthens individuals’ economic security and provides incentives to invest further in their community.

**Figure 2: Economic Asset Utilization 2008-2010 Trends, continued**



Latest data reveal a steady increase in families’ purchasing of these assets since 2008. The number of families starting small businesses, as well as family members pursuing postsecondary education, both increased in each of the last 3 years. However, the number of families purchasing a home with savings decreased in 2009, but rose higher than 2008 numbers in 2010. These trends are mirroring the dismal state of the economy, where mortgage lending was scarce and business prospects were grim in 2009.

Overall we see a positive trend in the last 3 years of CAAs encouraging their clients to increase assets through saving, and then investing these assets in their local communities. It appears that the largest increase in achievement occurred from FY 2009 to FY 2010.

**NPI 2.1 – Community Improvement and Revitalization**

C. Safe and affordable housing units created in the community.

D. Safe and affordable housing units in the community are preserved or improved through construction, weatherization or rehabilitation.

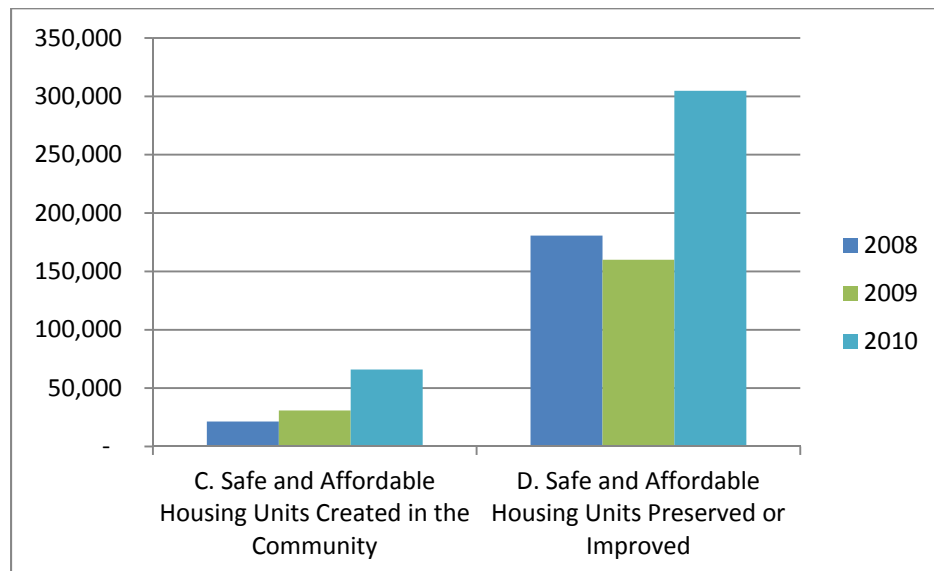
H. Accessible new or expanded transportation resources are saved from reduction or elimination.

NPI 2.1 measures improvements that have occurred in communities, as a result of Community Action. Specifically, here we examine data on how many safe and affordable housing units were created, how many safe and affordable housing units were preserved or improved, and whether transportation resources were created or expanded in the community.

	2008	# CAAs	2009	# CAAs	2010	# CAAs
<b>C. Safe and Affordable Housing Units Created in the Community</b>	21,352	258	30,902	311	65,953	369
<b>D. Safe and Affordable Housing Units Preserved or Improved</b>	180,715	690	159,950	617	304,772	644

The below graph shows an overall increasing trend in both housing creation and housing improvement/preservation through community economic development activities. Notice that housing improvements/preservation, as opposed to creation, has been historically a more prevalent activity of the CAAs. CAAs are very active in Weatherization Assistance Program (WAP), which helps low-income individuals make their housing more energy efficient. It appears that the biggest jump in achievement, once again, occurred between FY 2009 and FY 2010 for these indicators. This mirrors the large increase in WAP fund from the Recovery Act.

**Fig 3: Community Improvement and Revitalization 2008-2010 Trends**



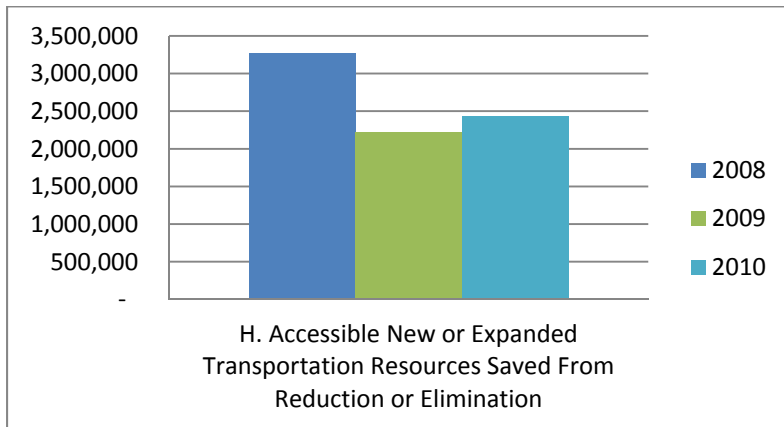
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Access to transportation is another important factor contributing to community economic development. Adequate public transportation allows individuals to obtain and maintain jobs, provides them with mobility and encourages community involvement.

	2008	# CAAs	2009	# CAAs	2010	# CAAs
<b>H. Accessible New or Expanded Transportation Resources Saved From Reduction or Elimination</b>	3,272,568	265	2,222,506	260	2,435,669	364

Since 2008, the number of outcomes achieved by CAAs related to new or expanded transportation has dropped. However, 2010 numbers do show slight positive improvement over 2009.

**Figure 4: Community Improvement and Revitalization 2008-2010 Trends, continued**



New or expanded transportation is one of a few community economic development indicators which did not show a significant increase in FY 2010.

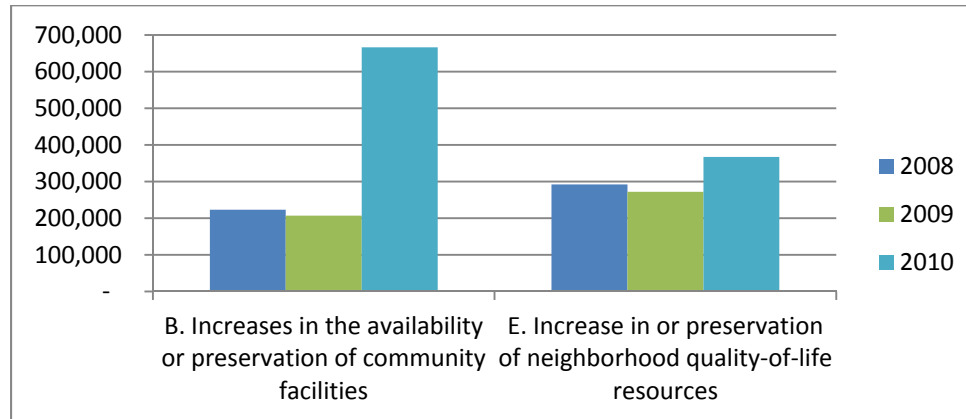


**2.2 – Community Quality of Life and Assets**

	2008	# CAAs	2009	# CAAs	2010	# CAAs
<b>B. Increases in the availability or preservation of community facilities</b>	223,294	161	207,100	183	666,406	239
<b>E. Increase in or preservation of neighborhood quality-of-life resources</b>	291,977	182	272,005	187	367,328	252

NPI 2.2 accounts for increases in community facilities and neighborhood quality-of-life resources. These can be public libraries, youth centers, recreation centers, safety patrols for neighborhoods, and other community establishments which improve the lives of local residents.

**Figure 5: Community Quality of Life and Assets 2008-2010 Trends**



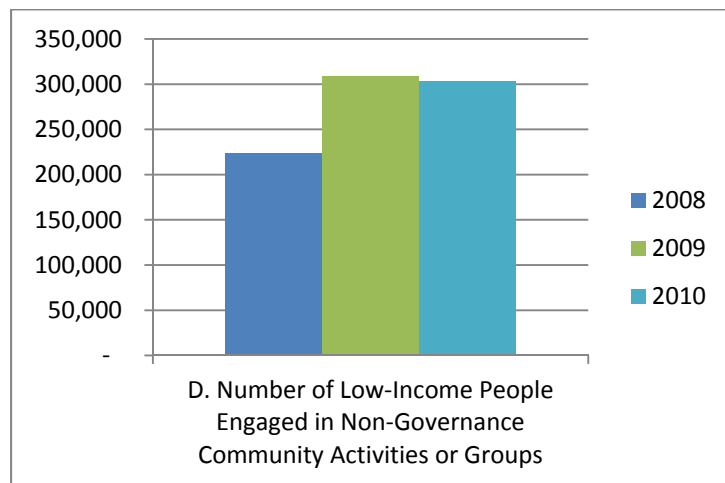
Although holding almost steady in 2008 and 2009, 2010 brought a significant increase in both community facilities and neighborhood quality-of-life resources.

**3.2 – Community Empowerment Through Maximum Feasible Participation**

	2008	# CAAs	2009	# CAAs	2010	# CAAs
<b>D. Number of Low-Income People Engaged in Non-Governance Community Activities or Groups</b>	223,679	443	308,846	484	303,233	561

The engagement of the local community members is critical to the success and development of a community. Informed and involved individuals are empowered to advocate for their interests and are more likely to have a voice in local decision-making. In 2010, about 300,000 low-income individuals were engaged in non-governance community activities or group, an increase of almost 80,000 individuals since 2008.

**Figure 6: Community Empowerment through Maximum Feasible Participation 2008-2010 Trends**



NPI 3.2 is another one of few indicators which did not see an increase in FY 2010. Instead, the large increase in achievements for this indicator occurred in 2009 and has held steady in 2010.

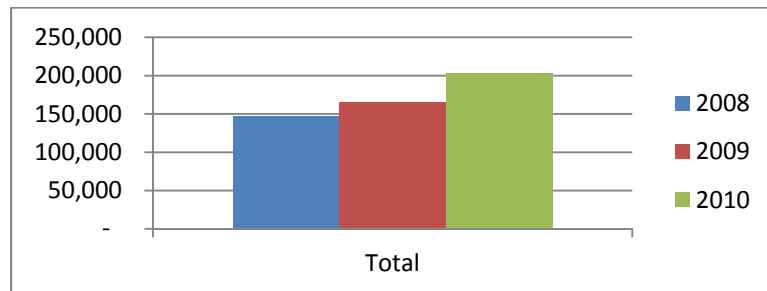
**4.1 – Expanding Opportunities through Community Wide Partnerships**

Finally, CAAs’ ability to create and maintain productive partnerships is key to economic development outcomes. CAAs with productive partnerships have access to more resources, have more community support, and have greater capacity to achieve their goals.

	2008	2009	2010
<b>Total Partnerships</b>	147,466	165,034	203,590

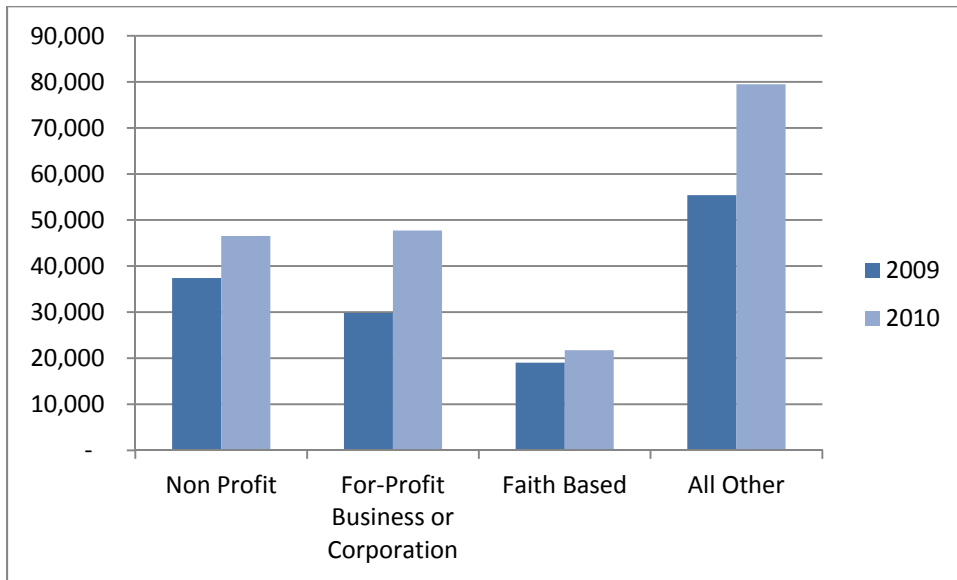
The number of partnerships held by CAAs increased by almost 11% from FY 2008 to FY 2009, and by over 20% between FY 2009 and FY 2010.

**Figure 7: Expanding Opportunities through Community Wide Partnerships 2008-2010 Aggregate Trends**



Through 2008, in addition to the total number of partnerships, the only data on types of partnerships were for faith-based organizations. Beginning in 2009, the list of types of partnerships was expanded. The most popular partnerships in 2010 were with other Nonprofits and with For-Profit Businesses/Corporations. Faith-Based partnerships were the third most prevalent type of partnership. All other partnership categories have also increased since 2009, and include Local, State, and Federal governments; consortiums/collaborations; housing consortiums/collaborations; school districts; institutions of postsecondary education; financial/banking institutions; health service institutions and statewide associations or collaborations.

**Figure 7: Expanding Opportunities through Community Wide Partnerships 2009-2010 Detailed Trends**



## **Conclusion**

The latest version of the CSBG IS contains 16 NPIs, 5 of which are at least partially related to community economic development. Outcome data for these 5 indicators shows an overall positive trend in the period of 2008 to 2010.

All indicators, with the exception of NPI 3.2 (Number of Low-Income People Engaged in Non-Governance Community Activities or Groups), showed an increase in individuals achieving an outcome from FY 2009 to FY 2010. A few indicators have showed a perfectly positive trend, like the number of individuals opening a savings account, the number of individuals increasing their savings, individuals beginning a small business, individuals pursuing postsecondary education, new safe and affordable housing units being created in a community, and the number of partnerships CAAs are involved in each year. These indicators have increased each year during the three-year period.

The only indicator showing an overall decreasing trend is the number of accessible new and expanded transportation resources saved from reduction or elimination. This indicator had achieved 3.3 million resources in FY 2008, but has not been reached that number in the last two years. Still, the network achieved a slight increase from FY 2009 (2.2 million resources) to FY 2010 (2.4 million resources). It is possible that the overall decrease in this indicator may have occurred due to CAAs' higher priorities in other community economic development areas.



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