

# OVERCOMING CONCENTRATED POVERTY AND ISOLATION



Lessons from Three HUD Demonstration Initiatives

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# Executive Summary

Low-income families that live in distressed, high-poverty neighborhoods face especially daunting challenges as they attempt to leave welfare, find jobs, earn an adequate living, and raise their children. In these neighborhoods, crime and violence are common, jobs are scarce, schools are often ineffective, and young people see few opportunities for success. An extensive and growing body of social science research indicates that living in these high-poverty communities undermines the long-term life chances of families and children—cutting off access to mainstream social and economic opportunities. Neighborhood distress—and its consequences for families—constitutes a serious, long-term challenge to public policy.

During the 1990s, the Department of Housing and Urban Development launched three rigorous research demonstrations testing alternative strategies for helping low-income families escape the isolation and distress of high-poverty, central-city communities. These initiatives reflected three prevailing views about how best to tackle the problem of concentrated poverty:

- Residential Relocation. The Moving to Opportunity for Fair Housing Demonstration (MTO) helped families move from high-poverty public and assisted housing developments to healthy, low-poverty neighborhoods using housing vouchers and search assistance.
- In-Place Services and Incentives. The Jobs-Plus Community Revitalization Initiative (Jobs-Plus) saturated public housing developments with high-quality employment services and rent-based financial work incentives.
- Suburban Job Linkage. The Bridges to Work demonstration (BtW) helped residents of high-poverty, central-city communities find and retain jobs in opportunity-rich suburban areas by recruiting employers and providing transportation assistance.

All three of these demonstrations were carefully designed to include rigorous controls and systematic data collection so that their implementation and impacts could be systematically evaluated. And all

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three are now generating provocative results that offer new insights for ongoing program experimentation and policy development.

The problems of concentrated poverty, economic isolation, and distress that MTO, Jobs-Plus, and BtW were designed to tackle all persist today. This report summarizes findings from the three demonstrations and draws crosscutting lessons for ongoing innovation and action at federal, state, and local levels.

## Demonstration Findings

MTO, Jobs-Plus, and BtW represent serious investments in rigorous research by HUD, foundations, the implementing organizations, and researchers. This investment clearly paid off—not necessarily with the expected results, but with significant new insights on strategies for tackling concentrated poverty and isolation. The demonstrations have produced important evidence about the strategies they tested—including evidence about which aspects of those strategies worked and for whom, as well as evidence about what it takes to implement these strategies effectively.

*Moving to Opportunity* dramatically improved neighborhood conditions for participating families, which led to better mental and physical health for adults and to reductions in risky behaviors among teenage girls. In particular, the incidence of obesity and depression were significantly reduced among MTO movers. However, MTO boys may be experiencing worse emotional and behavioral outcomes than their counterparts who remained in public housing. In addition, MTO had significant but small effects on the characteristics of the schools children attended, although most families remained within the same central-city school district. Employment, earnings, and welfare reciprocity have not yet been significantly affected by participation in MTO, although exploratory analysis suggests that MTO families that moved to stable, racially mixed neighborhoods may be earning more.

*Jobs-Plus* produced substantial increases in residents' earnings, significantly above gains achieved by residents in comparison developments. These impacts were most evident in the three of five demonstration sites where all intervention components were fully implemented. Jobs-Plus also appears to have had positive impacts on residents' employment rates. Specifically, two-thirds of Jobs-Plus's earnings effects are attributable to increased employment, while one-third are attributable to some combination of increased work hours and increased wages. However, Jobs-Plus appears to have had no impact on welfare reciprocity, which dropped substantially (but equally) for both treatment and control groups. And the increased individual and development earnings did not yield improvements in overall community health or well-being.

The *Bridges to Work* demonstration encountered major implementation challenges, in part because the robust economic conditions of the late 1990s reduced the number of "job-ready" adults who needed assistance in finding employment. As a result, local agencies had to expand their service areas, making the suburban commutes much longer than originally anticipated. And supplemental services intended to help recipients retain jobs in the suburbs were not fully implemented. As a result, BtW cannot be viewed as a fully effective test of its original vision. Participants generally used the program services for only a few months and experienced no significant benefits relative to the control group. More specifically, BtW did not improve either the employment or the earnings of central-city job seekers. The only measurable impact was among participants receiving welfare, who were able to get jobs with better pay and benefits than comparable job-seekers without access to BtW services.

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## Lessons for Policy and Practice

The experience of these three carefully designed experiments and the results emerging from rigorous research on their impacts offer new insights for ongoing policy development and programmatic innovation. Specifically, we draw ten broad lessons from the experience of the three demonstrations, including lessons about the potential for success, about the realities families face, about implementing complex strategies, and about obstacles to success:

### Lessons about the potential for success

1. Place-conscious interventions can make a big difference for families and children—they are worth the effort and the cost.
2. Families will respond to real opportunities and choice—programs don't have to be mandatory to have an impact.
3. Achieving meaningful change requires sustained effort over several years.

### Lessons about the realities families face

4. Most low-income families work—at least intermittently.
5. People move a lot, but not necessarily to better neighborhoods or because they want to move.
6. Neighborhood crime and violence inflict horrible damage on children and families.

### Lessons about implementing complex strategies

7. Implementation partnerships are hard but not impossible.
8. Interventions have to be focused—but not one-dimensional—if they intend to help families transform their lives.

### Lessons about obstacles to success

9. The needs of men and boys demand special attention.
10. We cannot ignore barriers of racial prejudice, discrimination, and segregation.

The crosscutting lessons from MTO, Jobs-Plus, and BtW should enable policymakers and practitioners to move forward more intelligently on three basic fronts: (1) encouraging and assisting low-income families to move to safe, opportunity-rich neighborhoods; (2) saturating assisted-housing developments in high-poverty neighborhoods with quality employment services and supports, delivered on-site in conjunction with rent rules that encourage and support work; and (3) helping low-income workers who live in high-poverty neighborhoods find and keep jobs in opportunity-rich areas. These three strategies should not be considered competing alternatives, but rather complementary approaches. In some circumstances, it may make sense to pursue two or three at the same time, while in others, one of the three strategies may be particularly well-suited to local needs and market conditions.

Although the current budget and policy environment seriously limits opportunities to consider broad new federal initiatives, many opportunities for action exist within current federal programs. This is particularly true for public housing agencies with HOPE VI funding or the regulatory flexibility offered by the Moving to Work (MTW) demonstration. In addition, state and local governments could launch a new round of experimentation and learning by targeting small-scale initiatives to selected communities. And philanthropic foundations clearly have a continuing role to play in fostering innovation, collaboration, and capacity building.





## Background and Introduction

Low-income families that live in distressed, high-poverty neighborhoods face especially daunting challenges as they attempt to leave welfare, find jobs, earn adequate livings, and raise their children. As of 2000, 3.5 million poor people (one in ten poor people nationwide) lived in census tracts with poverty rates greater than 40 percent.<sup>1</sup> In these neighborhoods, crime and violence are common, jobs are scarce, schools are often ineffective, and young people see few opportunities for success.

A growing body of social science research indicates that living in a distressed, high-poverty neighborhood undermines the long-term life chances of families and children—cutting off access to mainstream social and economic opportunities.<sup>2</sup> For example, children who grow up in distressed neighborhoods and attend high-poverty, poor-performing schools are less likely to succeed academically, complete high school, or attend college. Young people who are surrounded by drug dealing and crime—and whose peers encourage these activities—are more likely to become caught up in dangerous or criminal activities. And adults who live in neighborhoods that are isolated from job opportunities (by distance or due to poor public transportation) are less likely to work steadily.

Concentrated urban poverty and efforts to address it have a long and complex history. Over the past forty years, policymakers (both Democratic and Republican) and researchers have launched different remedies based on alternative (and sometimes conflicting) understandings of the causes and consequences of concentrated poverty. Because the issue has remained on the policy and research agenda for an extended period, our collective understanding of its complexity has grown. And by the 1990s, policymakers recognized the need for more holistic and evidence-based approaches.

Historically, federally subsidized rental housing projects have intensified the concentration of poor people—especially minorities—in distressed inner-city neighborhoods.<sup>3</sup> The vast majority of federally subsidized housing units are located in central cities, and often clustered in poor, racially segregated, and distressed neighborhoods. By the time welfare reform was being debated in the early 1990s, subsidized housing developments in high-poverty neighborhoods were typically home to large numbers of

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welfare recipients, many of whom had been receiving cash assistance over the long term.<sup>4</sup> The combination of concentrated neighborhood poverty and long-term welfare dependency raises serious concerns about prospects for these families and their children.

In response, HUD's Office of Policy Development and Research (PD&R) launched three rigorous research demonstrations testing alternative strategies for helping low-income families escape the isolation and distress of high-poverty, central-city communities. These initiatives reflected three prevailing views about how best to tackle the problem of concentrated poverty:

- The Moving to Opportunity for Fair Housing Demonstration (MTO) helped families move from high-poverty public and assisted housing developments to healthy, low-poverty neighborhoods with housing vouchers and search assistance.
- The Jobs-Plus Community Revitalization Initiative (Jobs-Plus) saturated public housing developments with high-quality employment services and rent-based financial work incentives.
- The Bridges to Work demonstration (BtW) helped residents of high-poverty, central-city communities find and retain jobs in opportunity-rich suburban areas by recruiting employers and providing transportation assistance.

All three demonstrations were carefully designed to include rigorous controls and systematic data collection so that their implementation and impacts could be systematically evaluated. And all three are now generating provocative results that offer new insights for ongoing program experimentation and policy development.<sup>5</sup>

Both markets and policies have undergone substantial changes since MTO, Jobs-Plus, and BtW were conceived a decade ago. The economic boom of the 1990s dramatically expanded employment opportunities, even for low-skilled workers, at the time welfare reform was implemented. Welfare rolls were dramatically reduced as low-income adults entered the labor force. But after 2000, the economy weakened, and today low-skilled workers are more likely to face low wages and little job security.<sup>6</sup> Between 1990 and 2000, the number of high-poverty census tracts nationwide declined substantially, suggesting that the problem of concentrated poverty might be waning. But millions of poor families—mostly African American and Hispanic—still live in high-poverty neighborhoods, and the number of high-poverty tracts increased in some metro areas despite the nationwide decline. Finally, due to changes in federal housing policies during the 1990s, many of the nation's most distressed public housing developments are being replaced with healthier, mixed-income communities and public housing agencies now have much greater flexibility to support work and promote neighborhood revitalization. But public housing remains woefully underfunded, and the capacity of local public housing agencies to engage in reform and innovation varies widely.<sup>7</sup>

Thus, although today's environment differs from that of the early 1990s, many of the same challenges remain. In particular, the concentrated poverty, economic isolation, and distress that MTO, Jobs-Plus, and BtW were designed to tackle all persist. The lessons from these three demonstrations may need to be adapted to changing circumstances, but they will continue to have tremendous currency. The purpose of this report is to bring those lessons to policymakers and practitioners to catalyze a new round of innovative thinking and experimentation.<sup>8</sup> Section II summarizes the vision, implementation, and results of each demonstration. Section III highlights ten crosscutting lessons for policy and practice. Finally, section IV suggests what these lessons might mean for action—at the federal, state, and local level—by government, community-based organizations, and philanthropies.



## The Three Demonstrations

**M**TO, Jobs-Plus, and Bridges to Work share one fundamental hypothesis: addressing the problems of place is essential to helping poor families get jobs, increase their incomes, and improve their well-being over the long term. But the three demonstrations reflect different visions about how best to overcome the isolation and distress of high-poverty neighborhoods.

The Moving to Opportunity demonstration tests the theory that if families can escape from distressed, high-poverty communities by moving to healthy, low-poverty neighborhoods, their long-term employment, income, and educational outcomes will improve.

In contrast, Jobs-Plus was designed to test the argument that if a distressed public housing development is effectively saturated with an intensive, place-based employment initiative, residents' work and earnings will dramatically increase, reducing reliance on welfare and generating spillovers that enhance quality of life for the entire development.

Finally, Bridges-to-Work tests the long-standing hypothesis that connecting residents of distressed inner-city neighborhoods to well-paying jobs in the suburbs will not only increase individual employment and earnings, but also bring needed resources and stability to the neighborhood.

The remainder of this section focuses on MTO, Jobs-Plus, and BtW in turn, providing background on their initial design and implementation, challenges and midcourse changes, and outcomes to date for participating families and communities. Table 1 summarizes basic information about each demonstration.

### Moving to Opportunity

Authorized by Congress in 1992, MTO provided tenant-based rental assistance along with housing search and counseling services to families living in high-poverty public and assisted developments. Families in the experimental group were required to move to neighborhoods with very low poverty rates in order to assess the impacts of neighborhood conditions on educational and employment outcomes.

Table 1. Three HUD Demonstration Initiatives

	Moving to Opportunity	Jobs-Plus	Bridges to Work
<b>Theory of change, initial vision</b>	MTO tests the vision that if families can escape from distressed, high-poverty communities by moving to healthy, low-poverty neighborhoods, their long-term employment, income, and educational outcomes will improve.	Jobs-Plus tests the vision that intensive, saturation-level, place-based employment initiatives can dramatically increase work and earnings among public housing residents, reducing their reliance on welfare, improving their quality of life, and creating spillovers that improve the quality of life for the entire development.	Bridges to Work implemented a reverse commuting strategy that was intended to connect the presumed surplus of “work ready” applicants in the central city to existing jobs in the suburbs.
<b>Design and intervention mechanism</b>	<p>MTO sites were selected from the nation’s most troubled public housing developments.</p> <p>Eligible volunteer families were randomly assigned to one of three groups:</p> <ol style="list-style-type: none"> <li>(1) Experimental group: received Section 8 certificates or vouchers usable only in low-poverty census tracts (under 10% poverty in 1990), plus assistance in finding a unit and moving.</li> <li>(2) Comparison group: received regular Section 8 certificates or vouchers (geographically unrestricted).</li> <li>(3) Control group: continued to receive project-based assistance.</li> </ol>	<p>Jobs-Plus targeted large public housing developments with high rates of joblessness and welfare receipt.</p> <p>Because a goal of the demonstration was development-wide change and it targeted all working-age, non-disabled residents, the design randomly assigned housing developments in a given city to one of two groups:</p> <ol style="list-style-type: none"> <li>(1) Experimental group: all working-age residents were offered three broad program components: <ol style="list-style-type: none"> <li>a) employment-related services,</li> <li>b) rent-based financial work incentives, and</li> <li>c) enhanced community supports for work.</li> </ol> </li> <li>(2) Control group: could seek any available services within public housing or the local community, such as the welfare and workforce development systems.</li> </ol>	<p>BtW sites were selected from low-income communities where there was substantial spatial mismatch.</p> <p>Adult volunteers were randomly assigned to one of two groups:</p> <ol style="list-style-type: none"> <li>(1) Experimental group: received metropolitan job placement services, targeted commuting services, and limited supportive services to assist with suburban commute. Each experimental group member was eligible for up to 18 months of BtW services.</li> <li>(2) Control group: could seek services from other agencies or programs, and could reapply for BtW services 18 months after their first random assignment.</li> </ol>
<b>Implementation sites and partners</b>	<p>Sites: Baltimore, Boston, Chicago, New York, and Los Angeles.</p> <p>MTO was implemented by central-city public housing agencies (PHAs) working in partnership with local nonprofit counseling organizations.</p> <p>HUD provided these PHAs with special allocations of Section 8 certificates/vouchers.</p> <p>The local nonprofit partners received special-purpose funding to provide mobility counseling and assistance exclusively to families that were assigned to the experimental group.</p>	<p>Sites: Baltimore, Chattanooga, Dayton, Los Angeles, St. Paul, and Seattle.</p> <p>In 1999, the Seattle site received a federal HOPE VI grant and had to withdraw from the demonstration. Chattanooga mainly implemented the financial incentives component of the design.</p> <p>The implementation collaboratives included members from the local PHA, the welfare department, the workforce development agency, other local service agencies, and residents.</p>	<p>Sites: Baltimore, Denver, Milwaukee, and St. Louis employed random assignment.</p> <p>Chicago attempted to conduct the demonstration “at scale,” and therefore did not use random assignment.</p> <p>BtW was implemented by metropolitan-wide partnerships among city and suburban service delivery areas and private industry councils, community organizations, employer representatives, transportation providers, and state and local human service providers.</p>
<b>Implementation dates</b>	<p>MTO was authorized by Congress in 1992.</p> <p>Between 1994 and 1998, 4,608 families volunteered for MTO and were randomly assigned.</p> <p>Baseline data on families in all three treatment groups were collected prior to random assignment, and all families are being tracked over 10 years.</p>	<p>Local programs began offering employment-related services in 1998. The financial incentives component was not fully implemented until mid-2000. The community support for work component was last to be launched.</p> <p>Baseline surveys of residents were conducted from 1998 through 1999, near the start of the intervention, and a follow-up survey was conducted in 2003.</p> <p>Administrative data on job earnings and welfare receipt were collected from 1992 (before Jobs-Plus) through 2003 to construct trends of up to 12 years.</p>	<p>The four experimental sites operated BtW programs from mid-1997 through early 2001.</p> <p>The Chicago “scale” site started implementation in 1996 and ended in early 2001.</p>

(Continued)

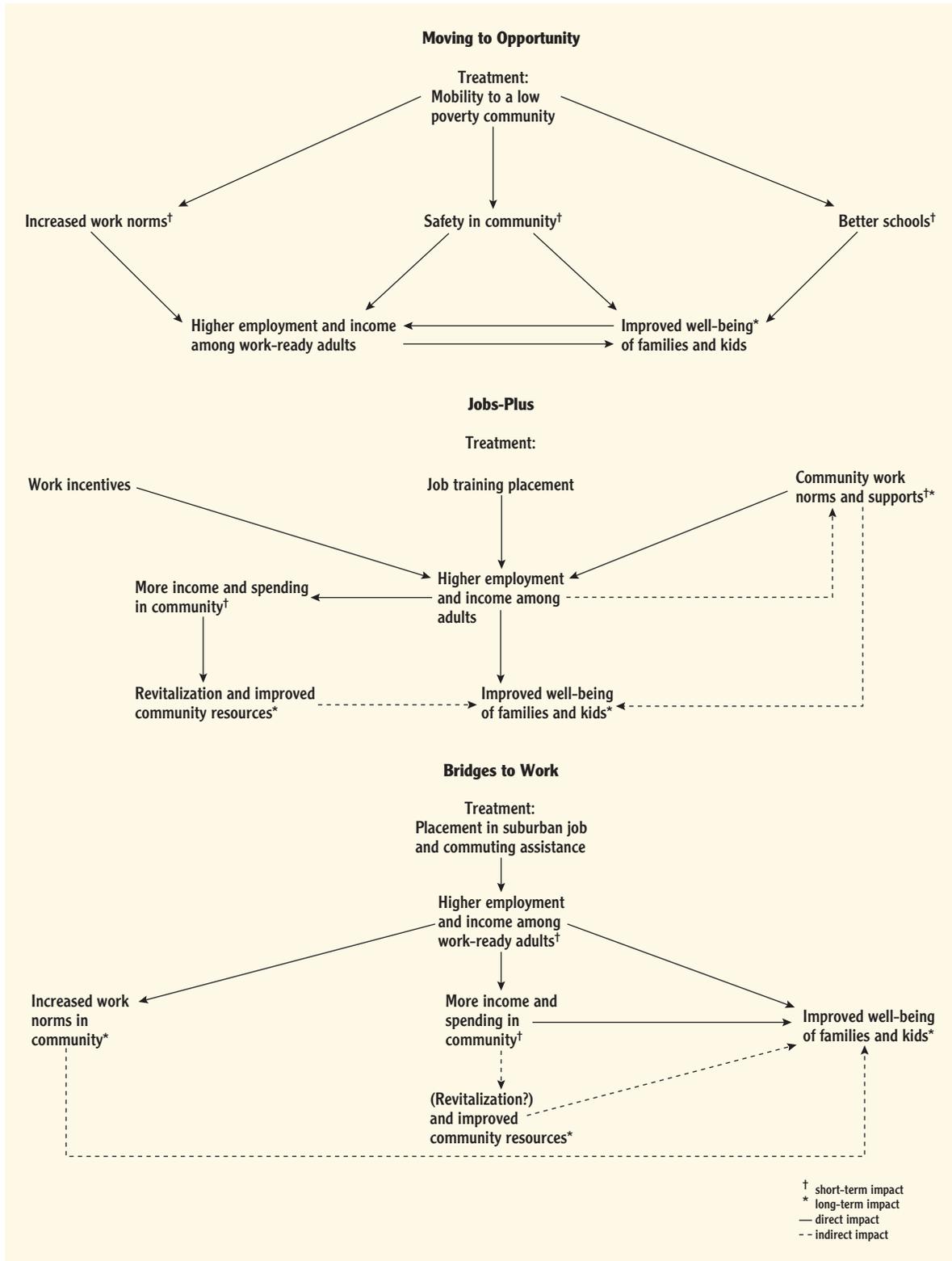
Table 1. Three HUD Demonstration Initiatives (Continued)

	Moving to Opportunity	Jobs-Plus	Bridges to Work
Target populations	<p>The PHAs participating in MTO targeted very low income families with children under 18 living in public and assisted housing developments in census tracts with poverty rates above 40 percent.</p> <p>The families living in the targeted developments were mostly black or Hispanic, single-mother families with two or three children.</p> <p>About half were receiving welfare and 30 percent were working.</p> <p>The PHAs screened out families with criminal records and poor rent histories.</p>	<p>Sites were selected from large public housing developments in which no more than 30 percent of families had an employed member and at least 40 percent were receiving welfare.</p> <p>All able-bodied, working-age residents in the selected public housing developments were eligible to participate in the program.</p> <p>The Jobs-Plus sites were all overwhelmingly minority, some almost entirely African American; others had a more diverse racial/ethnic mix. Sites also varied by percentage of females (65 to 91 percent) and by percentage of two-parent families (14 to 74 percent).</p> <p>Most heads of households in the developments had worked before (69 percent) but not steadily, just over half (51 percent) relied on AFDC/TANF or General Assistance, and 68 percent had used food stamps.</p>	<p>BtW programs targeted all “work ready” residents in high-poverty, inner-city neighborhoods with strong suburban employment growth.</p> <p>Applicants had to be 18 or older, reside in the targeted zip codes, and have a household income of less than 200 percent of the federal poverty threshold.</p> <p>Fifty-four percent of BtW participants were female and nearly all participants were members of a minority group.</p> <p>Fifty-eight percent of participants’ households had income from work in the previous month, just over one-third (38 percent) received food stamps, and 21 percent received welfare or cash assistance.</p> <p>About 30 percent of participants reported having a prior criminal conviction.</p>
Outcomes measured	<p><b>Adults</b> Poverty, employment, earnings, welfare reciprocity, and physical and mental health.</p> <p><b>Children</b> Physical and mental health, educational outcomes, and delinquency and risky behavior.</p> <p><b>Neighborhood</b> Poverty, employment, school quality, and crime and safety.</p>	<p><b>Adults</b> (regardless of their mobility) Employment, earnings, and welfare reciprocity.</p> <p><b>Neighborhoods</b> Within the housing developments: employment, earnings, welfare reciprocity, and “community quality of life”—economic and material well-being; social capital; personal safety, victimization, and social disorder; and resident satisfaction with the community.</p> <p><b>Implementing collaboratives</b> Qualitative analysis was conducted to determine how well the collaboratives operated and to document program activities at the comparison developments.</p>	<p><b>Adults</b> Poverty, employment, earnings, and welfare reciprocity.</p>
Research findings	<p>MTO dramatically improved the condition of the neighborhoods in which participating families lived.</p> <p>Adults receiving the MTO treatment experienced significant improvements in both mental and physical health.</p> <p>Girls in the MTO families experienced significant mental health improvements and engaged in less risky behavior. The boys may be experiencing worse mental and behavioral outcomes.</p> <p>MTO had significant but small effects on the characteristics of the schools children attended, although most families remained within the same, central-city school district.</p> <p>The interim evaluation found no significant impacts across the five sites in employment, earnings, or welfare reciprocity relative to the comparison groups.</p>	<p>Jobs-Plus had substantial, statistically significant positive effects on residents’ earnings, above gains achieved by residents in comparison developments.</p> <p>The program appears to have had positive effects on residents’ quarterly employment rates (which rose dramatically for both research groups even before Jobs-Plus), but these gains were small and not statistically significant.</p> <p>Two-thirds of Jobs-Plus’s earnings effects are attributable to increased employment. One-third is attributable to some combination of increased work hours and increased wages.</p> <p>Jobs-Plus appears to have had no impact on welfare reciprocity, which fell dramatically for both the program and comparison groups.</p> <p>The increased individual earnings did not translate into positive effects on “community quality of life” or community well-being.</p>	<p>BtW sites encountered major difficulties in recruiting work-ready participants, and therefore had to expand their service areas and scale back support services. Commute times for many participants were long, and few participants remained in the program for more than three months.</p> <p>Bridges to Work services did not improve the employment or earnings of inner-city job seekers.</p> <p>While they did not work any more consistently, welfare recipients did access jobs with better pay and benefits than did those without access to Bridges to Work services.</p>

Sources: For MTO, see John Goering and Judith D. Feins, eds., *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*. Washington, DC: Urban Institute Press, 2003; and Larry Orr, Judith D. Feins, Robin Jacob, Erik Beecroft, Lisa Sanbonmatsu, Lawrence F. Katz, Jeffrey B. Liebman, and Jeffrey R. Kling, “Moving to Opportunity Interim Impacts Evaluation.” Washington, DC: U.S. Department of Housing and Urban Development, 2003.

For Jobs-Plus, see Howard S. Bloom, James A. Riccio, and Nandita Verma, “Promoting Work in Public Housing: The Effectiveness of Jobs-Plus—Final Report.” New York: Manpower Demonstration Research Corporation, 2005; and Linda Yuriko Kato, “Participating in a Place-Based Employment Initiative: Lessons from the Jobs-Plus Demonstration in Public Housing.” New York: MDRC, 2003.

For BtW, see Roder et al., “Seeking a Sustainable Journey to Work: Findings from the National Bridges to Work Demonstration.” Philadelphia, PA: Public/Private Ventures, 2005; Christopher Reardon, ed., “In the Driver’s Seat.” Philadelphia: Public/Private Ventures, 2001; and Mark Elliot, Beth Palubinsky, and Joseph Tierney, “Overcoming Roadblocks on the Way to Work: Bridges to Work Field Report.” Philadelphia: Public/Private Ventures, 1999.



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**The MTO Design.** MTO was inspired by findings from the Gautreaux demonstration, which provided special-purpose vouchers to enable black families (who either lived in public housing or were eligible for it) to move to predominantly white or racially mixed neighborhoods in the city of Chicago and surrounding suburban communities. This program was designed as part of the court-ordered legal remedy for systematic discrimination and segregation of Chicago’s public housing program. But research by James Rosenbaum and others suggested that many of the families that moved to suburban neighborhoods and stayed there experienced substantial benefits<sup>9</sup> over time. Most notably, their children were more likely to stay in school, succeed in school, graduate, go to college, and get jobs. It was hoped that the MTO demonstration would replicate these promising outcomes.

MTO’s experimental design randomly assigned eligible families (who volunteered to participate) to one of three groups. The *experimental* group received Section 8 certificates or vouchers usable only in low-poverty census tracts (under 10 percent poor in 1990), plus assistance in finding a unit and moving. The *comparison* group received regular Section 8 certificates or vouchers (geographically unrestricted and without search assistance). A *control* group continued to receive project-based assistance.

MTO was implemented by five central-city public housing agencies (PHAs), working in partnership with local nonprofit counseling organizations. The PHAs that applied and were selected to implement the demonstration are Baltimore, Boston, Chicago, Los Angeles, and New York. HUD provided these PHAs with special allocations of Section 8 certificates or vouchers. The PHAs then selected public or assisted housing developments in high-poverty census tracts (more than 40 percent poor), and invited very low income resident families with children under 18 to apply. The local nonprofit partners received special-purpose funding to work exclusively with families that were assigned to the experimental group, providing counseling and assistance to help them move to low-poverty census tracts (less than 10 percent poor) and conducting outreach to landlords in these areas.

HUD engaged Abt Associates to manage the demonstration operations, including baseline data collection, random assignment, monitoring counseling operations, and tracking household outcomes. Between 1994 and 1998, about 4,600 families volunteered for MTO and were randomly assigned. Baseline data on families in all three treatment groups were collected prior to random assignment, and all families are being tracked over roughly ten years following their initial moves. Data collection has covered a very wide range of outcomes for both adults and children in the MTO families. Early exploratory research<sup>10</sup> indicated that potential benefits of mobility include improvements in mental and physical health and reduction of risky behaviors, as well as heightened educational achievement, increased employment, and income gains. Therefore, data on all of these outcomes have been (and continue to be) systematically assembled.

In 2003, an interim evaluation was completed by Abt Associates, in partnership with NBER and several other research organizations. The evaluation relies on a combination of administrative data and follow-up surveys of experimental, comparison, and control households. It rigorously measures impacts to date of the MTO “treatment” by comparing outcomes for experimental, comparison, and control groups over time. In addition, many site-specific studies using a range of data collection and analytic methods have been conducted and continue to be conducted with foundation funding. Participating households continue to be tracked, with a final round of cross-site data collection and evaluation anticipated in several years.

**MTO Implementation Challenges.** MTO was designed to be implemented by a central-city public housing agency working in partnership with a regionwide nonprofit counseling organization. This design was

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modeled on the Gautreaux demonstration—although in Gautreaux, the nonprofit counseling agency had its own pool of Section 8 certificates to administer. MTO left the administration of the voucher program in the hands of the local PHAs, giving the nonprofit counseling agencies responsibility for working with the MTO families to help them find units in qualifying neighborhoods. PHAs and their nonprofit partners applied jointly to participate in MTO, and evidence of their capacity to work together and to provide effective mobility counseling was a factor in site selection.

Few metro areas had nonprofit organizations in place with experience in delivering mobility assistance to low-income renters. To be fully effective, MTO nonprofits needed the capacity to identify qualifying neighborhoods and potential units regionwide, recruit landlords to participate in the Section 8 program, assess family needs, and deliver effective counseling and housing search assistance. The nonprofit partners that PHAs selected typically had some but not all of these skills. For example, in New York, the nonprofit was a citywide family assistance organization with relatively little housing experience or connections in the suburbs. In Boston, on the other hand, it was a metrowide organization with experience in administering Section 8 in conjunction with case management services. And in Los Angeles, the PHA initially partnered with a consortium of fair housing organizations and a provider of case management and support services to homeless families. Differences in the experience and capabilities of these nonprofit organizations led to considerable variation across the five demonstration sites in the quality and intensity of MTO counseling services.<sup>11</sup>

The legislation that established MTO authorized HUD to select additional sites and provided funding for more vouchers and counseling assistance. HUD had intended to use these resources to expand the size of the demonstration in the five original sites, and possibly to extend MTO to additional sites as well. Larger samples in each demonstration site (as well as a larger pooled sample) would have strengthened the statistical significance of demonstration findings. Unfortunately, the launch of MTO was disrupted by major opposition from residents and politicians in suburban Baltimore County, and the demonstration was scaled back as a result.

In the summer of 1994, representatives from the PHA, the nonprofit counseling partner, and HUD attended a large and contentious meeting of community residents in Dundalk, Maryland, in hopes of explaining MTO. Residents of this largely working class community were afraid that an influx of low-income minorities would increase delinquency and crime, endangering their neighborhoods and lowering their property values. As a consequence of this highly publicized opposition, Senator Mikulski (who not only represented the voters of Dundalk but also chaired HUD's appropriations committee) called for MTO to be terminated. HUD Secretary Cisneros agreed that no new sites would be added to the demonstration, and that the remaining appropriations would not be spent on MTO. This limited the size of the demonstration to the five original sites. However, three of the participating PHAs (Boston, Los Angeles, and New York) later volunteered to allocate some of their regular certificates and vouchers to expand the size of their MTO programs, with HUD supplementing the counseling funds with other resources.

Every MTO site experienced some difficulties in forging effective partnerships between the PHA and the nonprofit counseling organizations. In particular, the start-up process for delivering housing search assistance typically took much longer than anticipated because the nonprofit agencies had to hire and train staff, design landlord outreach and household counseling activities, and produce effective information material. These start-up activities were costly, but did not immediately result in family placements, which had been established as the primary trigger for payments by PHAs. In addition, most PHAs failed to anticipate that the start-up process would be so challenging, and some began referring families to the nonprofit before services were fully in place.

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Even after the start-up hurdles had been overcome, PHAs and their nonprofit partners faced a number of challenges in working together. Many of these stemmed from problems of communication across organizations; staff from the nonprofit counseling agencies often had difficulty figuring out whom at the PHA they needed to talk to and reaching that person quickly to solve problems. They were also often frustrated by the time required to get a decision or action from the PHA bureaucracy, and sometimes felt that PHA staff were not accountable for ensuring the success of MTO families. For their part, PHA staff often perceived the nonprofit counseling agencies as inexperienced and uninformed about the regulations governing the Section 8 program, with unrealistic expectations about what PHA staff could do in response to families' problems. In two sites, the original counseling agency was replaced during the course of the demonstration. In general, however, PHAs and their nonprofit partners were able to resolve their difficulties and craft reasonably effective working partnerships. And many observers still see this as the most promising model for delivering mobility assistance in conjunction with housing vouchers.

In addition to the challenges associated with forming effective partnerships, helping low-income families move to low-poverty neighborhoods proved to be a daunting task. The MTO nonprofits had few models upon which to build and essentially had to invent—and re-invent—their programs as they went along. Overall, the biggest challenges were (1) helping families overcome the diverse and sometimes complex barriers they faced in searching for and obtaining housing in the private market; and (2) becoming knowledgeable about the regional rental housing market and convincing private landlords to participate in the Section 8 program. These two challenges called for very different skills and capacities. The first required nonprofit organizations to assess the needs of individual families and help them resolve issues such as bad credit, poor health, unreliable child care, lack of transportation, or lack of a security deposit that stood in the way of their housing search. The second required them to assemble information about rental housing opportunities and community assets regionwide and effectively market the Section 8 program and the MTO families to real estate professionals.

**MTO Participants.**<sup>12</sup> MTO targeted very low income families with children living in public and assisted housing developments in census tracts with poverty rates above 40 percent. In the five demonstration cities, families living in targeted developments were mostly black or Hispanic single-mother families with two or three children. About half were receiving welfare, 30 percent were working, and the average income was just under \$11,000 (in 1996).

All families living in targeted developments were invited to apply to participate in MTO. They were told that, if selected, they would receive a housing voucher that would enable them to move to private rental housing in any neighborhood of their choice. The PHAs screened applicants to ensure that they were eligible—that is, that they were very low income families with children. The PHAs also screened for criminal records and poor rent histories, and excluded these families from participation on the grounds that they would likely be rejected by private-sector landlords.

Despite these selection criteria, the families that volunteered and were selected to participate in the demonstration were fairly typical of all eligible residents. A larger share were single-mother families (93 versus 78 percent), and the household heads were younger (on average, 35 versus 41 years old). MTO families were more likely to be receiving welfare (75 versus 51 percent) and less likely to be working (22 versus 30 percent), and the average income among MTO families was slightly lower (\$9,365 versus \$10,769).

The primary reason that families gave for wanting to participate in MTO was to escape from crime and violence. More than half gave this as their primary reason, and over three-quarters gave it as either

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their first or second reason. About half also said they wanted a better house or apartment, while only about four in ten said they wanted to find a better school for their children, and very few gave employment as a reason for moving. The families that chose to participate in MTO did not have strong connections to their public housing communities; instead, they appeared to have weak social ties to their neighbors.

Although the families that volunteered to participate in MTO were quite typical of families living in distressed public housing developments, gaining benefits from mobility depended on their ability to use a voucher to move to a low-poverty neighborhood. Lease-up rates among participating families ranged from a low of 34 percent in Chicago to a high of 61 percent in Los Angeles. The families most likely to succeed in finding a unit were those that were more motivated about moving and more optimistic about their chances of success. In addition, they tended to own cars and to have fewer kids. Families with strong social ties to their neighbors or with a disabled member were less likely to lease up in the private market. And Hispanic families were less likely than African Americans to successfully move.

**MTO Impacts.**<sup>13</sup> The MTO “treatment” (a Section 8 certificate or voucher that could only be used in census tracts with poverty rates below 10 percent and assistance with housing search) dramatically improved the condition of the neighborhoods in which participating families lived. The average poverty rate for census tracts in which families lived was 17 points lower for movers in the MTO experimental group than for the public housing controls, and 7 points lower than for the Section 8 comparison movers. The changes in neighborhood environment increased the likelihood that adults in the MTO families would have college-educated friends or friends earning \$30,000 or more. MTO families markedly improved their neighborhood conditions, reporting large reductions in the presence of litter, trash, graffiti, abandoned buildings, people “hanging around,” and public drinking relative to the control group. MTO adults also reported substantial increases in their perception of safety in and around their homes and large reductions in the likelihood of observing or being victims of crime. And MTO improved the quality of housing occupied by the participating families.

Adults receiving the MTO treatment have experienced significant improvements in both mental and physical health. The interim evaluation report indicates that the MTO treatment reduced the rate of adult obesity by 11 percentage points (from 47 percent among adults in the control group to 36 percent among MTO movers). It also finds measurable reductions in psychological distress and depression, and increased feelings of calm and peacefulness for experimental group adults. These changes appear to stem largely from the reductions in neighborhood crime, violence, and insecurity. Although MTO was not originally conceived as a strategy for promoting better health, these findings are important because evidence from other research indicates that depression and obesity-related illnesses are major barriers to employment and that psychological distress and depression can interfere with effective parenting as well as with employment success.

Girls in the MTO families appear to have enjoyed significant mental health improvements and to be engaging in less risky behavior. However, the evidence for boys suggests that they may actually be experiencing worse emotional and behavioral outcomes. More specifically, MTO participation brought about a moderately large reduction in psychological distress and very large reductions in the incidence of generalized anxiety disorder among girls in the experimental group. In addition, girls ages 15 to 19 had reductions in risky behavior, especially in marijuana use and smoking. But among MTO boys in this age range, there were significant increases in smoking and in the chances of being arrested for property crimes. However, it is unclear whether the increase in arrests was due to higher reporting of crimes and

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greater police vigilance in the low-poverty neighborhoods or to an actual rise in the incidence of this negative behavior.

MTO had significant but small effects on the characteristics of the schools children attended, although most families remained within the same central-city school district. To date, no significant effects on any measures of educational performance have been found. However, participation in MTO resulted in a large reduction in the proportion of female youth working rather than attending in school, with a concomitant (though not statistically significant) increase in the proportion attending school.

The interim evaluation found no significant impacts across the five sites in employment, earnings, or welfare reciprocity. There is, however, evidence of significant employment and earnings impacts in New York and Los Angeles. And analysis suggests that MTO families that moved to the most stable, majority-white neighborhoods, especially neighborhoods in the suburbs, earned substantially higher weekly wages.<sup>14</sup> Moreover, all participants in the MTO demonstration (experimental, comparison, and control) experienced substantial increases in employment and reductions in welfare reciprocity, probably due to the combination of a strong labor market and the implementation of welfare reform. These macro changes may have overwhelmed any impact of the MTO treatment, at least in the short term.

An exploratory analysis based on interim evaluation data suggests that family characteristics influence the likelihood of benefiting after controlling for neighborhood. Families with older parents, some work experience, fewer kids, and no disabilities are the most likely to experience improvements in health and employment, other things being equal. Qualitative research confirms that for many families, mental and physical health challenges as well as poor education and limited work experience make it difficult to adjust to the new neighborhood, cope with the demands of a private landlord, or take advantage of new opportunities, at least in the short term. Ongoing research will assess the extent to which families are able to surmount these challenges over time and begin to experience gains in employment and earnings as a result of mobility.

## Jobs-Plus

Jobs-Plus was conceived in 1995 by a partnership involving HUD, the Rockefeller Foundation, and MDRC in response to impending new policies, such as time-limited welfare and reductions in federal operating subsidies to public housing authorities. The demonstration was designed to address several persistent factors that were thought to hinder sustained employment among public housing residents: residents' poor preparation for work; inadequate knowledge about seeking work; personal and situational problems such as child care; public housing rules that potentially discourage work by increasing tenant rent contributions when household income increases; and communities that are unsupportive of work.

**The Jobs-Plus Design.** The Jobs-Plus goal of projectwide program *saturation* would theoretically create a critical mass of employed residents and generate momentum for positive change throughout the community. Jobs-Plus was intended to promote and reinforce a culture of work in these public housing developments. Large increases in employment and income development-wide would then lead to other improvements in residents' quality of life, such as reductions in poverty and material hardship, crime, substance abuse, and social isolation.

The Jobs-Plus program design involved targeting all able-bodied, working-age residents in the housing development with three broad program components: (1) employment-related services, (2) rent-based financial work incentives, and (3) enhanced community supports for work. Employment-related services

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included job training; job clubs; access to education, transportation, and child care assistance; case management; and other services to aid in obtaining and maintaining jobs. Financial work incentives included changes in rent rules allowing residents to keep more of their earnings, either through flat rents or lower rates of subsidy reduction. Sites were also expected to educate residents about other financial work incentives such as child care assistance and the Earned Income Tax Credit (EITC). Finally, enhanced community supports for work included encouraging work-related information sharing among residents, peer support, and strengthening social ties and activities among residents to support their work efforts.

In order to implement a design that was both multifaceted and multilayered, participating sites had to be willing to adopt a collaborative strategy that included residents and resident organizations as partners. Specifically, the implementation group at each site was required to have members from the local public housing authority, the welfare department, the workforce development agency, and public housing residents. Site-specific demonstrations were then tailored to fit local needs and strengths, and implemented by the local collaboratives. The six sites included in the demonstration were Baltimore, Chattanooga, Dayton, Los Angeles, St. Paul, and Seattle.

Because the goal of the demonstration was to achieve community-wide change, the Jobs-Plus design called for the random assignment of entire housing developments to program and control groups. Sites were selected from among large public housing developments in which no more than 30 percent of families had an employed member and at least 40 percent were receiving welfare. In each city, the housing authority had to identify a minimum of two developments that met the requirements for Jobs-Plus. One of these developments was then randomly selected to receive the intervention and one or two served as controls. To strengthen this place-based random assignment design, MDRC also implemented a comparative interrupted time-series analysis tracking employment and income trends over 12 years for residents of the experimental and control developments before and after intervention.

MDRC provided technical assistance to the sites to help them design and implement their plans, and assembled data and conducted analysis to evaluate the impacts of Jobs-Plus. Data for the Jobs-Plus evaluation were assembled from a variety of sources, including administrative records, surveys of project residents, and on-site observation of program operations. The primary data came from housing authority records of tenant characteristics, state unemployment insurance wage records, and welfare payment records. These were used to measure employment, earnings, and welfare trends for a cohort of project residents from 1992 to 2003. In addition, surveys of project residents were conducted in 1998–1999 (near the start of implementation) and in 2003. Finally, intensive qualitative analysis was conducted to determine how well the collaboratives operated and to document program activities at the control developments. The final evaluation report was released in the spring of 2005.

**Jobs-Plus Implementation Challenges.** As discussed earlier, local Jobs-Plus programs were intended to include three basic components: (1) employment-related services; (2) rent-based financial work incentives; and (3) enhanced community supports for work. Not all of the sites were fully successful in implementing this vision. Three sites—Dayton, Los Angeles, and St. Paul—effectively implemented all three program components. In contrast, the Baltimore and Chattanooga sites did not operate the full program model as envisioned, in part because housing authority commitment to the program waned with changes in leadership and the emergence of other challenges. And although Chattanooga focused more strongly on the rent incentives than on other features of Jobs-Plus, neither of these two sites administered the rent incentives in a way that led a high proportion of residents to take advantage of them. Seattle was

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implementing Jobs-Plus relatively effectively until it won a HOPE VI grant for the target development, which essentially removed it from the demonstration.

Because the Jobs-Plus initiative was complex and required collaboration from so many different organizations, it took far longer than expected for the even the strongest of the local programs to achieve full implementation with all three components in operation. In addition to basic design and start-up challenges, the programs initially encountered suspicion and cynicism from public housing residents. And problems with crime and violence made service delivery more challenging in some sites (particularly Baltimore, Dayton, and Los Angeles). As a consequence of these initial obstacles, none of the sites began the demonstration with all three components fully operational. Instead, they began by offering employment-related services in 1998. The financial incentives component was not fully implemented until mid-2000, and the community support for work component (which was the least well defined to start with) was last to be launched. Because of this phased implementation process, 1998 and 1999 were considered “roll-out” years for the purposes of evaluation.

Forming durable and effective partnerships across the different agencies and groups involved in Jobs-Plus turned out to be a considerable challenge. PHAs, welfare agencies, and workforce agencies generally had little experience working together and had few mechanisms to identify and resolve disagreements, misunderstandings, or problems. Additional coordination challenges were posed by the professional culture of many local agency representatives, entrenched resident leadership, and adversarial relations with the housing authority. Despite these challenges, many initial difficulties were overcome and, in four of the six sites, strong programs were built. While partnerships were critical, sustained commitment from senior PHA officials also proved to be a major factor in success. Their ongoing support for the program, their encouragement of coordination between the provision of housing services with the employment-focused work of Jobs-Plus, and their efforts to hold Jobs-Plus accountable for high performance all contributed to better program implementation.

The Jobs-Plus design assumed that local programs would stand a better chance of being expanded and institutionalized after the demonstration ended if services were funded primarily from mainstream resources that local housing, welfare, and workforce agencies controlled. And it was anticipated that collaborating agencies would be more likely to feel a sense of ownership and commitment to the program if they were investing their own resources. However, the effort and time required to secure these funds at the local level were substantial, partly explaining why it took the sites two years or more to hire a full complement of program staff. In addition, PHA procurement and personnel regulations led to serious delays in staffing and equipment installation (such as computer and management information systems that were essential to enroll and assess clients).

At each site, a local program staff was assembled on site at the targeted housing development to implement Jobs-Plus. The sites were all required to hire a project director, a case manager, job developers, and resident outreach workers. But there were substantial variations across sites in staff's preparedness to undertake ambitious program responsibilities. Finding and retaining staff with the necessary skills proved to be a challenge for all the sites.

One of the most difficult aspects of Jobs-Plus was implementing the community support for work component of the demonstration design. The demonstration's design was not entirely clear about what form this component should take; it was generally expected to involve the public housing residents themselves in becoming sources of work promotion, encouragement, information, advice, and support to each other. Initially, the involvement of residents as program staff posed serious challenges—many lacked

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the skills, preparation and technical knowledge to provide services. This seriously weakened the interventions, particularly in Chattanooga, which eventually dropped all but the financial incentive component of Jobs-Plus. Over time, however, many of the sites were able to implement the community support for work component with varying degrees of success, primarily through resident outreach programs.

**Jobs-Plus Participants.** Jobs-Plus targeted large public housing developments with high rates of unemployed households and high levels of welfare receipt. All able-bodied working-age residents in the selected public housing developments were eligible to receive Jobs-Plus services; a goal of the demonstration was to involve as large a share of residents as possible.

Although all five Jobs-Plus sites had similarly high rates of unemployment and poverty, they differed significantly in demographic composition. The Baltimore, Chattanooga, and Dayton developments were populated almost exclusively by African Americans (94 percent or more). In Los Angeles, the residents were primarily Hispanic with a sizeable minority of Southeast Asians. In St. Paul, Hmong and other Southeast Asians predominated, and the Seattle development consisted of a mix of residents from East Africa and Southeast Asia. In addition, the share of female residents varied widely across sites (from 65 percent to 91 percent), as did the share of two-parent families (from 14 percent to 74 percent), and the share of adults without a high school degree or GED (from 33 percent in Dayton to 94 percent in St. Paul). About two-thirds of all household heads had worked before but were not steadily employed.

High levels of resident participation were crucial to the Jobs-Plus theory of change, although the program was entirely voluntary. By 2002, the take-up rate for rent incentives across all five sites was 40 percent for the cohort of residents living in the target developments in 1998 (pre-financial incentives) and 53 percent for the cohort in place in 2000. But these take-up rates varied considerably across sites—from a low of 19 percent (Baltimore) to a high of 77 percent (St. Paul) for the 2000 cohort. Jobs-Plus “attachment” (share of households enrolled in Jobs-Plus services by June 2001 *or* receiving rent incentives by December 2001) was considerably higher—62 percent across all five sites. Again, there was considerable variation across sites, with attachment rates ranging from 61 to 96 percent for the 2000 cohort. However, these two measures of participation (use of rent incentives and Jobs-Plus attachment) do not fully capture resident involvement in Jobs-Plus, as a substantial amount of the interaction was through informal (and unrecorded) encounters between program staff and residents.

It is important to note that residents in the comparison developments also had access to rent incentives and employment and training services. However, the incentives were not as generous nor were the services provided in the same intensive, place-based manner as in Jobs-Plus developments. A smaller percentage of residents in the comparison developments took advantage of the job-related services and financial incentives available to them than did residents in Jobs-Plus developments. The differences ranged from 6 to 26 percentage points. Job-Plus participants were also more likely to make use of rent incentives. Differences ranged from 8 to 27 percentage points.

**Jobs-Plus Impacts.**<sup>15</sup> Substantial differences in the quality of implementation and program attachment at the five Jobs-Plus sites produced much larger program impacts in Dayton, Los Angeles, and St. Paul than in Baltimore or Chattanooga. The three “strong implementation” sites achieved statistically significant gains in resident employment, which were sustained over four years and increased each year. On average, in these three sites Jobs-Plus increased average annual resident earnings by \$714 (2000), \$1,135 (2001), \$1,171 (2002), and \$1,543 (2003) more than residents of the comparison developments. This amounted to increases of 8.8 percent, 14.0 percent, 14.2 percent, and 19.5 percent respectively.

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Baltimore and Chattanooga, the sites with the weakest implementation overall and where residents were much less likely to use the rent incentives, did not produce any earnings effects. In the stronger implementation sites, the relative importance of the three Jobs-Plus components in generating the earnings impacts is not completely clear, and there is good reason to believe that implementing the program’s “full package” of services, incentives, and supports was key. However, several patterns in the data suggest that the rent incentives played a particularly important role in generating the positive effects on earnings.

The impact of Jobs-Plus on resident employment rates is somewhat less clear than the impact on earnings. Employment rates in the Jobs-Plus sites began to exceed those in the comparison sites in the third year of analysis, but these gains were small and not statistically significant. However, the pattern of relative gains over time is consistent with the increasing improvement in earnings. MDRC analysts estimate that roughly two-thirds of the earnings gains resulting from the program are attributable to increased employment, with the remaining one-third attributable to some combination of increased work hours and increased wages.

The Jobs-Plus intervention appears to have had no impact on welfare reciprocity. Reciprocity rates for both the Jobs-Plus and comparison groups were the same at baseline and remained so throughout the course of the study. The trends for both of these groups mirrored the national trends of large decline. It is important to note that residents of both the Jobs-Plus developments and the comparison developments experienced rising employment and earnings over the course of the 1990s. These overall increases—attributable to the strong economy and possibly to welfare reform—exceeded what Jobs-Plus achieved.

The Jobs-Plus vision was not only intended to benefit individual residents, but to have these impacts foster community-wide improvements. Whether the individual gains “spilled over” to create community benefits depended on a two major factors: (1) the size of the individual gains; and (2) the number of people who experienced gains *who remained in the original development*. The Jobs-Plus sites that exhibited robust earnings growth *and* low resident mobility also experienced significant increases in earnings at the development level. In other words, when resident turnover is low, an intervention that increases earnings among individual adults produces a concomitant increase in earnings development-wide. But when resident turnover is very high, even a large impact on individual earnings may not produce any measurable change at the development level, because program beneficiaries are continuously replaced by new, poorer residents.

The gains from Jobs-Plus in individual and development-level earnings did not yield the hoped-for spillover improvements in residents’ quality of life or community well-being. Only three sites (Baltimore, Dayton, and St. Paul) were included in the community well-being survey analysis. This analysis explored five measures of community quality of life: economic and material well-being, social capital, personal safety, victimization and social disorder, and resident satisfaction with community. Overall, very little difference was seen between the Jobs-Plus and comparison developments on any of these community well-being indicators.

## **Bridges to Work**

Designed and launched by Public/Private Ventures (P/PV) with support from HUD and a consortium of foundation funders, BtW was intended to connect the presumed surplus of “work-ready” applicants in central cities to job in the suburbs. The demonstration was inspired by an extensive body of research on

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the concept of “spatial mismatch,” which asserts that serious limitations on black residential choice and the suburbanization of low-skill jobs contribute to low employment rates and low earnings of African-American workers. This spatial mismatch creates a surplus of workers relative to the number of available jobs in inner-city neighborhoods where blacks are concentrated. Therefore, in theory, improved access to existing suburban jobs should significantly improve employment outcomes for the ready pool of low-skill urban workers.

**The BtW Design.** The Bridges to Work design included three initial program elements: (1) a suburban job placement mechanism, including the recruitment of suburban employers to hire central-city residents; (2) targeted commuting services for inner-city residents; and (3) limited supportive services intended to directly address the challenges of the suburban commute. This third element distinguished BtW from earlier “reverse commute” experiments—explicitly attempting to help participants sustain their connection to the suburban labor market by addressing problems created or exacerbated by the suburban commute. Among the services included in the programs’ original plans were a guaranteed ride home in an emergency, payment of day care costs to cover the extra time required to commute to the suburbs, and staff assistance with challenges of diversity in the workplace. Unlike MTO and Jobs-Plus, BtW was not explicitly targeted to public or assisted housing residents, although—as discussed later—roughly four of ten participants were residents of assisted housing.

P/PV began research on potential sites for the demonstration in the early 1990s, initially studying 20 major metropolitan areas that had significant numbers of urban poor residents and strong job growth in the suburbs. Nine of these sites participated in two years of planning to build metropolitan-wide partnerships among city and suburban service delivery areas (SDAs) and private industry councils (PICs), community organizations, employer representatives, transportation providers, and state and local human service providers. Five of the nine sites were then selected to take part in the demonstration based on their established capacity to effectively build, manage, and sustain these partnerships.

Four sites—Baltimore, Denver, Milwaukee, and St. Louis—implemented controlled experimental designs with random assignment of applicants to treatment and control groups. The Chicago site attempted to conduct the demonstration “at scale,” and therefore did not use random assignment. The four experimental sites operated Bridges programs from mid-1997 through early 2001; Chicago started implementation in 1996 and ended in early 2001. The four demonstration sites enrolled a total of 2,360 people (74 percent of their goal of 3,200), half of whom were randomly assigned to the treatment group and half to the control group. Applicants had to be 18 or older, reside in one of the targeted zip codes, and have a household income of less than 200 percent of the federal poverty threshold. Each person in the treatment group was eligible for up to 18 months of BtW placement, transportation, and retention services. Control group members could seek services from other local agencies or programs.

Baseline interviews were conducted with members of both the treatment and control groups at the outset of the study, and again 18 months after the treatment. About three-quarters of study participants completed the second interview. Data collected focused on a range of income and employment related outcomes. The final report by Public/Private Ventures is scheduled for release in 2005.

**BtW Implementation Challenges.** A number of factors made the recruitment of participants for BtW far more difficult than anticipated. First, some of the employment service providers in the local collaboratives proved unwilling or unable to refer qualified applicants. This may have been because the BtW

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services were new and unproven at the experimental sites and because the random assignment methodology, in which only half of eligible applicants would receive services, was mistrusted. In addition, although thousands of people inquired about the BtW program or applied to participate, only about 10 percent actually enrolled. Drop-off occurred because (1) sites screened out people who did not meet established standards for work-readiness, and (2) some applicants were no longer interested once they understood what the program offered. In other words, relatively few “work-ready” individuals applied, possibly because work-ready people could find jobs relatively easily during the strong economy.

In response to these recruitment challenges, BtW redefined its target population and expanded its employment training services—both major changes that had serious implications for program viability. Local programs implemented extensive direct outreach campaigns and widened the geographic areas from which they attempted to recruit job seekers. This outreach included radio and television ads, and building relationships with new community organizations to help with recruitment. Because actual recruits were not as “job ready” as initially expected, the sites added job preparation and occupational skills training. All four experimental sites added one to three days of job readiness training to their programs, including job search instruction, resume writing, job application assistance, job interview coaching, and advice on “soft skills.”

Local collaboratives’ capacity was seriously challenged by the substantial last-minute program design changes. Because recruitment and enrollment of “work-ready” participants proved to be a problem, the sites attempted to add job readiness training for potential workers to their local programs. However, their budgets did not allow a significant investment in supportive services. In addition, their capacity was stretched by decisions to broaden the geographic areas from which they recruited applicants.

This was one reason why commutes were far longer than feasible. More than half of participants had one-way commutes of more than 45 minutes, and more than a quarter had commutes lasting longer than an hour. Participants often had to arrive at pick-up points 75 minutes before their shifts to allow multiple stops in the origin neighborhoods and the suburbs. In addition, once the initiative was underway, sites realized that paying for extra child care was too much of an administrative burden, and therefore dropped this benefit for participants.

Sustaining effective service delivery partnerships also proved problematic. Partnering agencies were originally supposed to steer clients to the Bridges to Work programs. The BtW program itself was not expected to recruit extensively; its original mission was to focus on suburban job placements and on transportation. However, once the program was underway, many of the initial partners either lost interest or felt threatened by BtW. Some believed they were competing for the same pool of applicants and could not refer people because they had to “make their numbers” for welfare-to-work placement credit from government social service agencies. Others tended to refer the clients they did not want to serve themselves. Public agencies and nonprofit job training and employment programs tended to be the least helpful, while community-based organizations and churches tended to be the most helpful.

BtW transportation services—which essentially had to be tailored to unexpectedly large origin areas and distant suburban destinations—proved to be very costly for a nonprofit service or planning agency to provide, and were therefore difficult to sustain. Primary expenditures for transportation services included project staff time, vehicle operation, maintenance and insurance costs, and in some cases subsidizing participants’ public transportation costs. Once the demonstration ended, all of the sites either stopped funding transportation services or changed to a more convenient target suburb. Taken together, implementation challenges significantly undermined the implementation of the BtW design, raising doubts about whether the demonstration represents a true test of the original vision and hypotheses.

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**BtW Participants.** Bridges to Work targeted all “work-ready” residents in the selected high-poverty inner-city neighborhoods. In addition to residing in one of the targeted zip codes, BtW applicants had to be 18 or older and have a household income below 200 percent of the federal poverty threshold. Just over half of BtW participants were women, about four of ten lived with their own children under age 18, virtually all were minorities, and the average age was 33. Eighty-five percent of all Bridges participants had at least a high school diploma or GED. About a third of all participants—and 45 percent of male participants—reported having a prior criminal conviction.

Most participants lived in very low-income households, with an average income of \$994 per month; almost three-quarters had household incomes below the federal poverty line. Well over half of participant households had at least some income from work in the previous month, but about four of ten recipients received food stamps; and two of ten received welfare or cash assistance. Although BtW was not explicitly targeted to federally assisted housing developments, 43 percent of participants reported living in public or subsidized housing.

Most participants had worked during the year before applying to Bridges to Work, but transportation was a significant barrier. Eighty percent of participants said they lived within a five-minute walk of a bus or train stop. However, most faced significant barriers to obtaining jobs not along public transportation routes. Only about one-third had a valid driver’s license, and only 6 percent had both a valid license and daily access to a car or truck.

**BtW Impacts.**<sup>16</sup> Across the four experimental sites, the BtW interventions had no significant impacts on employment or income overall. However, there were differences in program retention and health insurance receipt across sites. About two-thirds of Bridges to Work experimental group members were placed in jobs in the targeted suburban employment areas. Focus groups and interviews with program staff suggested that the more work-ready participants could afford to be selective in their job choices. Some participants failed employers’ drug tests or skills tests, others did not follow through with appointments. Sites chose not to work with participants who did not commit to getting a job in the targeted suburbs.

Participant retention was a major problem for all of the Bridges to Work programs. Of the two-thirds of participants placed in a BtW job, most used the Bridges services for only a short period. Only 30 percent received services for more than three months. Focus groups and interviews with program staff suggest that low retention was due to participants’ personal struggles, dissatisfaction with their jobs, and the long commute. At the same time, the economy was growing and job opportunities were expanding, making the Bridges program less attractive or essential for the targeted work-ready population.

Educational attainment was the only statistically significant predictor of retention in a BtW job; participants who had no high school diploma or GED were less likely to stay in their suburban jobs for at least three months. Hourly wages and immediate eligibility for health insurance were positively associated with job retention, but this result was not statistically significant (possibly due to a small sample size). Commuting for more than an hour was negatively associated with program retention, but this result also was not statistically significant.

Overall, there were few meaningful differences in outcomes for BtW participants and the randomly selected control group. The only statistically significant difference in outcomes between the experimental and control groups was the availability of health insurance and other fringe benefits. Suburban employers were more likely to offer health insurance than employers in central cities, and BtW participants were more likely than those in the control group to work in the suburbs. Moreover, even among

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suburban workers, more BtW participants obtained jobs with health insurance than the control group did (74 percent versus 67 percent).

There were no differences in wages or full-time work between those who received BtW services and those in the control group at any of the four experimental sites, nor were there statistically significant differences in receipt of government assistance at the time of the follow-up interview. However, BtW participants' total household income in the month prior to the follow-up survey was \$146 greater than that of control group members. A slightly smaller proportion of Bridges participants were living in households in poverty than were members of the control group (50 percent versus 54 percent) in the month prior to follow-up. The difference in household income was largely driven by differences in their respective households' earnings as opposed to government assistance or other income sources. BtW participants receiving TANF did not work significantly more than the controls, and while their overall earnings were slightly greater than that of control group members, differences were not statistically significant.

The primary beneficiaries of BtW services seemed to be TANF recipients and single parents, most of whom had received TANF at some time. Although BtW did not help these participants work more consistently, it did enable them to obtain better-paying jobs and, in turn, to attain greater annual earnings. Results for these subgroups drove the significant differences in household income and the proportion of households with income below the poverty line.





## Ten Lessons for Policy and Practice

**M**TO, Jobs-Plus, and BtW produced important evidence about the specific interventions they tested—including which aspects were most effective and for whom, as well as which aspects were less effective or not effective—and about broader principles that can help shape future strategies. What do these findings offer today’s policymakers and practitioners? The experience of these three carefully designed experiments and the results emerging from rigorous research on their impacts offer new insights for ongoing policy development and programmatic innovation. Specifically, we draw ten broad lessons from the experience of the three demonstrations, including lessons about the potential for success, about the realities families face, about implementing complex strategies, and about obstacles to success. Each of these lessons offers concrete implications for policy and practice. This section discusses the ten lessons and suggests action ideas drawn directly from the evidence.

### Potential for Success

Taken together, the findings from Moving to Opportunity, Jobs-Plus, and Bridges to Work provide reason for optimism. Thoughtfully designed interventions that seriously address the problems of neighborhood distress and isolation can help families dramatically improve their well-being and life chances. When families are offered real opportunities and meaningful choices about how to improve their futures, they will participate. Programs do not have to be mandatory or punitive to elicit a response. However, significant changes do not occur overnight; programs need to allow sufficient time, not only for launching effective services, but also for families to adapt and respond to new opportunities and challenges. And many of the families benefiting from these initiatives still remain poor and clearly need ongoing benefits and supports in order to continue making progress toward greater economic security.

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**1** *Place-conscious interventions can make a big difference for families and children—they are worth the effort and the cost.* Results from Moving to Opportunity and Jobs-Plus demonstrate that focusing on place—directly addressing the challenges of concentrated poverty and isolation—can significantly improve the lives of low-income families. Even though these demonstrations did not produce all of the positive outcomes originally envisioned, MTO provides compelling evidence that enabling families to escape from high-poverty neighborhoods yields dramatic improvements in safety and security, in the physical and mental health of women and girls, and in adolescent girls’ behavior. It seems plausible that these gains may translate into sustained improvements in the life chances of women and girls, if families are able to remain in their new neighborhoods. Jobs-Plus provides equally compelling evidence that saturating a distressed housing development with work supports and financial incentives can result in substantial earnings gains—as large as those produced by some of the most successful employment interventions ever tested for welfare recipients and other low-income people.

Effectively addressing concentrated neighborhood poverty is costly. The MTO experience suggests that intensive mobility assistance costs about \$2,500 to \$3,000 per successful household, in addition to the cost of the basic housing voucher. And a conservative estimate of the nonresearch cost<sup>17</sup> of Jobs-Plus is \$1,800 annually per adult. Given the demonstrated potential of both of these strategies (including both monetary and nonmonetary benefits), however, these costs seem worth the benefits they produce for low-income families. Of course, neither MTO nor Jobs-Plus was intended to be implemented “as is” on a large scale. Instead, each tested a stylized approach to the challenges of concentrated poverty and isolation. In the real world, policymakers and practitioners can and should draw elements from each model and even combine them in new ways, depending upon the circumstances.

### Implications for Action

- ✓ Implement on-site employment programs (like Jobs-Plus) in HOPE VI properties or other public housing developments with high unemployment rates.
- ✓ Launch new state or local programs that target employment assistance and supports to low-income housing developments.
- ✓ Help Housing Choice Voucher recipients and HOPE VI relocatees move to (and remain in) safe, opportunity-rich neighborhoods.
- ✓ Create state or local voucher programs targeted to families that want to move.
- ✓ Fund organizations that provide mobility assistance to voucher recipients and other low-income movers.
- ✓ Give priority to safe, opportunity-rich neighborhoods for the preservation and development of assisted housing.

**2** *Families will respond to real opportunities and choice—programs don’t have to be mandatory to have an impact.* All three demonstrations focused on very low income residents of distressed central-city neighborhoods. Many (though not all) families in these neighborhoods face multiple barriers to employment and are considered “hard to reach” or “hard to serve” by conventional welfare-to-work programs. The people who volunteered to participate in MTO, Jobs-Plus, and BtW were generally typical of other residents in their communities, and both MTO and Jobs-Plus evoked high par-

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participation rates despite initial skepticism in some communities. BtW's difficulty in recruiting participants reflects the fact that the benefits offered were not valuable enough to the target population of work-ready adults to overcome the program's "hassle factors." Given the booming economic conditions that prevailed at the time, people who were work-ready had no problem finding jobs, while the people who sought help from BtW needed more help than it was designed to offer. Moreover, because of changes to the original program design, BtW was ultimately unable to deliver reasonable commuting assistance to its participants; people dropped out of the program relatively quickly because their commutes were too complex and lengthy.

Thus, low-income families will reach out and take advantage of meaningful opportunities to improve their lives and the lives of their families. We find no evidence from these demonstrations that voluntary programs attract only the most qualified or motivated residents. However, not all participants succeed; only about half of MTO families actually moved to new neighborhoods, slightly more than half the adult residents of Jobs-Plus sites were employed in any given quarter during the last year of the demonstration, and about 64 percent of BtW participants were placed in suburban jobs. Analysis of success rates among MTO participants suggests that families facing multiple barriers—such as poor education, many children, a disabled family member—were the least likely to succeed. But this analysis only explains a small fraction of the success rate. In other words, it is difficult to predict in advance who will succeed and who will fail. It seems likely that some families need extra help in order to move to a healthier neighborhood, obtain steady work, or achieve significant income gains. As of today, however, we cannot reliably identify "hard-to-serve" families in advance.

### Implications for Action

- ✓ Use the flexibility of HUD's MTW program to design rent rules and housing subsidy formulas that encourage and support work.
- ✓ Provide residents of high-poverty neighborhoods with opportunities to choose either on-site assistance or mobility assistance.
- ✓ When families are moving—due to HOPE VI relocation or receipt of a housing voucher—provide meaningful information about their options and about the pros and cons of different neighborhoods.
- ✓ Design commuting assistance and other supports for work to effectively reduce the costs of finding and keeping a job.
- ✓ Consider individual cars as well as transit options as a commuting solution.

**3** *Achieving meaningful change requires sustained effort over several years.* Many public-sector initiatives are launched under intense time pressures, deliver services to participating families for only a limited time, and expect to document results in as little as a year or two. But the experiences of Moving to Opportunity, Jobs-Plus, and Bridges to Work all suggest that ambitious initiatives should be much more patient—about the implementation process, the duration of assistance or services, and the measurement of impacts. More specifically, all three demonstrations encountered problems with the local program design and start-up process, delaying the delivery of services to families and—in some cases—delivering inferior services to the earliest participants. Ultimately, these start-up problems were

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overcome, but trying to get complex and innovative programs up and running too quickly was probably a mistake.

In addition, it is unrealistic to think that the goal of empowering poor families to take advantage of new opportunities and improve their economic circumstances can be achieved overnight. Findings to date from MTO, Jobs-Plus, and BtW all suggest that families may need to receive services and supports over an extended period, that some may need more than one “dose” of assistance, and that measurable changes in economic well-being may not occur in the short term. For example, income gains from participation in Jobs-Plus appear to have grown steadily over time (and would need to continue to grow to enable families to work their way out of poverty). And one explanation for the absence of measurable effects from BtW may be that few participants received services for more than three months. Moreover, if the objective is to break the intergenerational cycle of poverty by giving children access to safety, security, and decent schools, the timeframe for delivering services and measuring impacts is even longer.

### Implications for Action

- ✓ Provide sufficient time and funding for the design and start-up of new programs.
- ✓ Provide technical assistance and training to help programs learn from one another and to facilitate the start-up of new programs.
- ✓ Make assistance available to families over an extended period.
- ✓ Help participants who get jobs keep them and participants who move to better neighborhoods stay there.
- ✓ Monitor outcomes for participating families over an extended period.
- ✓ Develop and collect meaningful performance measures over time and conduct ongoing research on “what works.”

### Realities Families Face

Research on the three demonstrations provides new insights about the realities facing low-income families, realities that may limit the impacts of place-based interventions. None of these lessons come as a complete surprise. But their significance for families—and for the programs that attempt to help families improve their lives—is highlighted by the demonstration results. Specifically, researchers were struck by high rates of labor force participation by adults in all three demonstrations; even though large numbers were unemployed at any given time, keeping a job appears to be a bigger challenge for most than getting a job. In addition, place-based initiatives need to recognize that low-income families move frequently—not necessarily to better environments or because they want to move. And finally, evidence from both MTO and Jobs-Plus illustrate the destructive impacts of neighborhood crime and violence on the lives of families and children and on efforts to deliver effective services and supports.

**4** *Most low-income families work—at least intermittently.* MTO, Jobs-Plus, and BtW were all designed in part to address high rates of joblessness in distressed communities. But all three found that during the 1990s—when the economy was booming—employment rates increased dramatically for both treatment and control groups. In fact, residents of the target neighborhoods were not as disconnected from the labor market as had been hypothesized. Many had worked in the recent past and

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when employment opportunities expanded, they went back to work. BtW had difficulty recruiting “work-ready” participants because so many adults were able to find jobs in the tight labor market of the 1990s. Jobs-Plus had a much more dramatic impact on earnings than on employment rates, possibly because its rent incentives encouraged people to work more hours or stay in jobs longer, rather than just helping them get work in the first place. And, to date, MTO has not produced measurable increases in employment or income for treatment families relative to the control group, although there is evidence that families that moved to the most stable and predominantly white neighborhoods are earning more.

These findings are consistent with other research on employment trends among low-skilled workers during the 1990s, and may also reflect the impacts of welfare reform, especially for women with children.<sup>18</sup> Under tougher economic conditions, the assistance and incentives offered by MTO, Jobs-Plus, and BtW might have a bigger impact on employment. But the experience from the three demonstrations suggests that employment initiatives should focus not only on helping people get jobs, but also on the challenges of job retention and advancement. In addition, the BtW experience argues strongly that one-time assistance with job placement and transportation logistics is not sufficient to achieve an employment or income effect. Programs designed to expand access to well-paying suburban jobs need to tackle multiple barriers that prevent people from staying in their jobs, and may need to provide ongoing support rather than one-time services.

### Implications for Action

- ✓ Help low-income workers with job retention and advancement rather than just getting a job.
- ✓ Sustain employment assistance over time in case people lose their jobs and need help again.
- ✓ Provide assistance for the problems that make it difficult for people to keep jobs—including commuting costs and child care.
- ✓ Design rent rules and housing subsidy formulas that encourage and support work and earning.
- ✓ Inform the public that most low-income families are working.

**5** *People move a lot, but not necessarily to better neighborhoods or because they want to move.* MTO and Jobs-Plus both focused on residential location as a critical ingredient of their strategies. MTO hypothesized that, by helping families relocate to healthy communities, it would dramatically improve their environment and access to opportunity, while Jobs-Plus hypothesized that substantially increasing employment and income among residents of a public housing development would generate spill-over benefits for the community as a whole. Both of these intended effects appear to have been diluted to some extent by high rates of residential mobility among participating families.

Specifically, two-thirds of the MTO families that succeeded in moving to low-poverty neighborhoods moved again within two to three years; only 18 percent remained<sup>19</sup> in neighborhoods with very low poverty rates. In-depth interviews suggest that tight housing market conditions, rising rents, and landlords’ unwillingness to continue renting to voucher recipients made it difficult for families to remain in their new neighborhoods. Not enough time has elapsed to determine whether families benefit from even a short stay in low-poverty communities or whether their subsequent moves result in

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better conditions than their original neighborhoods. But it seems possible that the potential benefits of moving to a low-poverty community will be undermined if families cannot stay in these communities very long.

Residents of the Jobs-Plus developments also moved more often than originally anticipated; nearly one-third of adults left<sup>20</sup> the targeted projects within two years. This affected the extent to which increases in individual earnings led to development-wide gains. The two sites with the lowest rates of mobility saw the biggest increases in average earnings for the development as a whole. Thus, it may be unrealistic to expect to transform neighborhoods simply by improving the well-being of individual residents (many of whom may move away). In addition, the Jobs-Plus experience raises concerns about how best to deliver employment assistance in an environment where mobility rates are high. If families lose their assistance when they move, the long-term benefits may be reduced.

### Implications for Action

- ✓ Provide ongoing support to help families that move to new neighborhoods stay there.
- ✓ If families have to move a second time, provide assistance to help them find another safe, opportunity-rich location.
- ✓ Help families that are receiving place-based services and supports remain in place, if they want to stay.

**6** *Neighborhood crime and violence inflict horrible damage on children and families.* The primary reason families gave for applying to participate in the Moving to Opportunity demonstration was that they wanted to escape from the crime, violence, and disorder of their neighborhoods. And the evidence from MTO indicates that moving dramatically reduced their exposure to crime and violence and appears to have contributed to significant improvements in physical and emotional health for both women and girls. If increased safety and security are responsible for improved health among MTO adults, then the long-term consequences of mobility could be enormous since poor health represents a major impediment to sustained employment and earnings for adults. Moreover, improvements in the mental and physical health of adolescent girls may help them stay in school, postpone childbearing, and be more effective parents when they eventually do have children.

Although Jobs-Plus and Bridges to Work were implemented in communities with essentially the same levels of distress, they did not explicitly tackle the problems of crime and violence. In some sites, crime and violence interfered with the implementation of Jobs-Plus activities, making it more difficult, for example, to get residents to come forward for services or to get staff to reach deeply into all parts of the development at all times of day in order to connect with residents. And evidence on community change in the Jobs-Plus sites shows no impact on crime, violence, or disorder. These findings suggest that it is possible to implement effective employment services and supports even in a violent and disorderly environment, and that adults can achieve very significant employment gains despite these conditions. But the findings raise questions about the longer-term well-being of both the adults and the children who remain in these violent neighborhoods and suggest the possibility of directly tackling crime and violence in conjunction with a place-based employment initiative. For example, it might make sense to include community-policing representatives in the implementation collaborative.

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### Implications for Action

- ✓ Mobility assistance programs should give priority to helping families find neighborhoods that are safe.
- ✓ Programs that deliver assistance to residents of distressed communities should coordinate with local law enforcement or community groups to explicitly address problems of crime and violence.
- ✓ Programs that preserve or produce affordable housing should focus on neighborhoods with low levels of crime and violence.

## Implementing Complex Strategies

MTO, Jobs-Plus, and BtW were all difficult to implement because they tried to address multiple challenges in families' lives, linking activities and services that are usually designed and operated independently. Some may be tempted to conclude that these demonstrations prove that it is too hard to implement multifaceted interventions, and that policymakers and program managers should concentrate on delivering one service at a time—as effectively as possible. But we draw the opposite lesson. Crafting partnerships to implement complex program designs may be difficult, but it is by no means impossible. And the complex challenges that poor families in distressed communities face demand multifaceted strategies in order to achieve lasting and meaningful impacts.

**7** *Implementation partnerships are hard but not impossible.* MTO, Jobs-Plus, and BtW all required local agencies to collaborate in new ways and to expand or upgrade existing activities in order to deliver the combinations of services needed by program participants. MTO called upon public housing agencies to collaborate with nonprofit counseling agencies and required these nonprofits to deliver hands-on search assistance and (in effect) case management at the same time that they familiarized themselves with rental housing opportunities regionwide and recruited landlords to accept subsidized households. Jobs-Plus required PHAs, welfare agencies, workforce agencies, and resident groups to collaborate actively in order to upgrade and expand job-training and job-placement programs while also building community supports for work. BtW called on local workforce agencies and transportation providers to become experts on the regional labor market and to craft transportation solutions and (limited) work supports for inner-city residents.

All three demonstrations required sites to show that they had entered into effective partnerships as a condition of demonstration funding. But despite this requirement, every site experienced at least some difficulty establishing and sustaining effective partnerships. MTO and Jobs-Plus both relied on local PHAs as essential members of the implementation partnerships. Because PHAs are funded and regulated by HUD, they often stand apart from other local public agencies, including local welfare-to-work initiatives. In addition, few PHAs have had much experience collaborating with nonprofit organizations. BtW did not rely upon PHAs, but did require partnerships linking local job-training and job-placement agencies and transportation providers. These partnerships proved to be especially difficult to sustain, in part because the participating job-training and job-placement agencies did not see tangible benefits from participation.

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Despite the challenges, the MTO and Jobs-Plus experience indicates that local organizations can establish and sustain effective partnerships that take advantage of the diverse expertise and resources of multiple agencies or organizations. And partnerships are probably essential in many cases because no single agency can deliver the combination of services and supports that families living in high-poverty communities need. But new initiatives that rely on local partnerships should be realistic about the time, commitment, and resources required to build and sustain collaborative relationships that can deliver quality programs for families.

### Implications for Action

- ✓ Provide funding and incentives to encourage partnerships among housing agencies, employment and training agencies, and transportation providers.
- ✓ Create expert intermediaries that can provide training and technical assistance to help agencies design new, crosscutting initiatives.
- ✓ Disseminate information about partnership models that have proven effective.
- ✓ Give public housing agencies sufficient flexibility to be effective partners in innovative local initiatives.
- ✓ Develop meaningful performance measures so that partners can hold one another accountable.
- ✓ When establishing collaboratives, ensure buy-in from agency leadership and implementing representatives by explicitly tying program goals to individual agency mission.

**8** *Interventions have to be focused, but not one-dimensional, if they intend to help families transform their lives.* MTO, Jobs-Plus, and BtW were all quite complex initiatives that tried to cut across conventional programmatic boundaries to help families overcome multiple challenges. All three recognized that focusing exclusively on employment and earnings would overlook critical barriers families face. But even so, each of the three demonstrations expected to achieve some important effects indirectly. MTO hypothesized that moving to a better neighborhood would improve educational achievement and employment. And both Jobs-Plus and BtW anticipated that neighborhoods would be transformed once residents got jobs and earned higher incomes.

To date, the evidence of achievement is weakest for these indirect outcomes. It is possible that MTO has not (yet) produced measurable education or employment effects because it did not explicitly target neighborhoods with good schools or because it did not provide any direct employment assistance to participating families. Similarly, it seems likely that one reason the income gains from Jobs-Plus did not lead to measurable neighborhood improvements is that the initiative did not directly address neighborhood crime or quality-of-life problems. And part of the explanation for BtW's failure to produce any measurable employment or earnings impact may be that it only addressed one of the barriers people faced. The lesson, therefore, seems to be that interventions need to be explicit about the outcomes they hope to achieve and include direct (as well as indirect) services to address these outcomes.

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## Implications for Action

- ✓ Design programs to tackle the major barriers and challenges participating families face—housing, safety, health, employment, and education.
- ✓ Help families that are receiving housing mobility assistance think explicitly about job opportunities and school quality.
- ✓ Help families that are receiving employment assistance tackle transportation and child care problems and think about residential location options.
- ✓ Help families that live in revitalizing neighborhoods take advantage of new opportunities there.
- ✓ Develop meaningful performance measures and monitor outcomes of interest over the long term.

## Obstacles to Success

Although many of the results from MTO and Jobs-Plus point to the potential for success, the experience of the three demonstrations also offers evidence of serious obstacles facing initiatives targeted to poor families living in severely distressed communities. First, they call attention to the special challenges facing men and boys, challenges that may have been overlooked or underestimated in the original demonstration designs. And second, the experience of all three demonstrations reminds us yet again of the many ways in which racial prejudice, discrimination, and segregation stand in the way of opportunity and advancement for low-income minority families.

**9** *The needs of men and boys demand special attention.* Many of today’s antipoverty programs focus—whether explicitly or implicitly—on single mothers and their children. Although men obviously play important roles in these families and their communities, they are often excluded or overlooked by efforts to encourage poor mothers to transition from welfare to work or to improve the life-chances of poor children. MTO certainly fits this mold—the demonstration was targeted to families with children in distressed public housing, and the vast majority of these were headed by women. And MTO has generated clearer benefits for teenage girls than for teenage boys (at least in the short term). Research is still underway to explain why boys appear to be having increased emotional and behavior problems in their new neighborhoods. Evidence to date strongly suggests that boys may need additional supports or assistance in order to adapt successfully to new neighborhood environments.

In contrast to MTO, Jobs-Plus tried to reach all working-age residents in the targeted developments, whether or not they were officially “on the lease.” Men living in the targeted developments—or visiting families living there—could take advantage of the on-site services and supports for work. However, the individuals tracked for research purposes exclude those not officially living in the developments. So we have no way of knowing whether or how the intervention may have addressed the needs of men. Bridges-to-Work also focused on all working-age individuals in the target, and participants were approximately half men and half women. But TANF recipients and single parents—rather than men—appear to account for the impacts attributable to BtW.

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### Implications for Action

- ✓ Reach out to include men in place-based employment initiatives even if they are not official residents.
- ✓ Consider whether men need different types of employment assistance and support than women.
- ✓ Give mothers who are receiving mobility assistance the explicit option of having a partner join the family in the new location.
- ✓ Provide ongoing support and assistance to help boys adjust successfully when their families relocate to new neighborhoods.

**10** *We cannot ignore barriers of racial prejudice, discrimination, and segregation.* Because concentrated poverty is the consequence of long-standing patterns of racial segregation and discrimination, MTO, Jobs-Plus, and BtW focused on neighborhoods and families that were mostly minority. Helping minority families escape the isolation and distress of these neighborhoods—whether by moving away, working more, or commuting to a suburban job—means helping them overcome discriminatory barriers that persist today. All three demonstrations encountered some barriers of this kind, and ongoing efforts to help residents of high-poverty neighborhoods should be prepared to tackle them as well.

MTO, which explicitly tried to open up white communities to minority families, faced the most serious local political opposition. Although MTO was implemented without controversy in four of the five cities, the Baltimore experience demonstrates the potential for serious political controversy. Similarly, during the planning phases, some BtW sites experienced real difficulties engaging suburban jurisdictions, regional transit agencies, and metropolitan planning organizations in an initiative focused on poor inner-city neighborhoods. And there was one incident (again in Baltimore) in which suburban residents protested the training and placement of a group of black program participants.

But in addition to these instances of overt political opposition, it is essential to acknowledge that minority program participants are likely to encounter racial and ethnic discrimination in both housing and labor markets. Other research provides convincing evidence that black and Hispanic home-seekers are still denied housing opportunities solely on the basis of their race and ethnicity and that employers—especially in suburban communities—still favor white job applicants over comparably qualified minorities.<sup>21</sup> It would be a mistake for programs to ignore these barriers and to fail to help families overcome them.

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### **Implications for Action**

- ✓ Combat negative stereotypes about residents of distressed communities and assisted housing recipients.
- ✓ Find allies in neighborhoods where families are relocating to help combat opposition to mobility initiatives.
- ✓ Find allies among landlords who will help build support for housing vouchers and mobility assistance.
- ✓ Find allies among employers who will help build support for employment training and placement programs.
- ✓ Prepare participating families to recognize housing or employment discrimination if it occurs and help them file complaints if they wish.
- ✓ Provide ongoing support to people who may encounter prejudice or racial conflict in a new neighborhood or job.





## Opportunities for Action

The three demonstrations reviewed here represent a serious investment in rigorous research by HUD, foundations, the implementing organizations, and researchers. This investment clearly paid off—not necessarily with the expected results, but with significant new insights on strategies for tackling concentrated poverty and isolation. Obviously, there is still a tremendous amount we do not know. But the crosscutting lessons from MTO, Jobs-Plus, and BtW enable policymakers and practitioners to move forward intelligently on three basic fronts:

1. Encourage and assist low-income families to move to safe, opportunity-rich neighborhoods.
2. Saturate assisted housing developments in high-poverty neighborhoods with quality employment services and supports, delivered on site in conjunction with rent rules that encourage and support work.
3. Help low-income workers who live in high-poverty neighborhoods find and keep jobs in opportunity-rich areas.<sup>22</sup>

These three strategies should not be considered competing alternatives but rather complementary approaches. In some circumstances, pursuing two or three strategies at the same time may make sense, while in other cases, one strategy may be particularly well-suited to local needs and market conditions. For example, an employment program in a large public housing development might recruit a small number of suburban employers to hire qualified residents and then tailor transportation and child care services to support these residents. A mobility program that focuses on helping families find housing in opportunity-rich neighborhoods could focus more explicitly on neighborhoods that provide easy access to employment centers and link employment incentives and supports to the housing search assistance. And a program that links central-city residents to suburban employers might include assistance for families that want to move closer to their new jobs.

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Although the current budget and policy environment seriously limits opportunities to consider broad new federal initiatives, there are many opportunities for action within existing federal programs. This is particularly true for public housing agencies with HOPE VI funding or the regulatory flexibility offered by the Moving to Work (MTW) demonstration. In addition, state and local governments could launch a new round of experimentation and learning by targeting small-scale initiatives to selected communities. And philanthropic foundations clearly have a continuing role to play in fostering innovation, collaboration, and capacity building. Table 2 summarizes a variety of potential opportunities at all three of these levels—federal, state and local, and philanthropic—and highlights key principles that emerge from the findings from MTO, Jobs-Plus, and BtW. But this summary table is not intended to exhaust all of the opportunities for ongoing innovation and experimentation. Instead, its purpose is to challenge policymakers, practitioners, advocates, and funders: what do the lessons from these three demonstrations offer for your work, and what can you do with the programs and resources you control?

Table 2. Opportunities for Innovation and Action

	Implementation of existing federal programs	State and local experimentation	Philanthropic contributions
Encourage and assist low-income families to move to safe, opportunity-rich neighborhoods.	<p><b>Housing vouchers</b> Provide information and assistance to voucher recipients who want to move.</p> <p><b>Public housing relocatees</b> Help HOPE VI relocatees find housing in opportunity-rich neighborhoods.</p>	<p><b>Locally funded vouchers</b> Target families that want to move to opportunity neighborhoods.</p> <p><b>Regional mobility assistance</b> Fund organizations that can help recipients take full advantage of vouchers.</p> <p><b>Housing development and preservation</b> Develop and preserve assisted housing in safe, opportunity-rich neighborhoods.</p>	<p><b>Support for enhanced mobility assistance</b> Provide funding for groups that provide housing search assistance and mobility services.</p> <p><b>Training and technical assistance</b> Support the development of national intermediaries.</p> <p><b>Monitoring and research</b> Fund development of performance measures and ongoing research about what works.</p> <p><b>Public education</b> Help overcome opposition from “receiving” neighborhoods.</p>
	<p><b>Key principles</b></p> <ul style="list-style-type: none"> <li>✓ Give families the opportunity to decide about whether mobility makes sense for them, and provide meaningful information about the pros and cons of different neighborhoods.</li> <li>✓ Give priority to neighborhoods that are safe and offer access to quality public schools and employment opportunities.</li> <li>✓ Provide ongoing support to help families find and take advantage of opportunities in their new neighborhoods.</li> <li>✓ Help families that move to remain in their new units or move to other units in similar neighborhoods.</li> <li>✓ Provide support and counseling to families with boys to help with the transition.</li> <li>✓ Consult with single mothers about whether their partners can and should join the family in the new location.</li> </ul>		
Saturate assisted housing developments in high-poverty neighborhoods with quality employment services and supports, delivered on site, in conjunction with rent rules that encourage and support work.	<p><b>Public housing</b> Target HOPE VI properties or other developments requiring significant reinvestment; take advantage of regulatory flexibility under the Moving to Work demonstration.</p> <p><b>Job training and placement</b> Provide on-site services in public and assisted housing developments.</p>	<p><b>Existing housing developments</b> Target locally subsidized properties with high unemployment and poverty.</p> <p><b>New housing developments</b> Build new properties explicitly targeted to helping residents work.</p> <p><b>Job training and placement</b> Provide funding for on-site offices and programs in assisted housing.</p>	<p><b>Support for partnership development</b> Provide funding to encourage local housing and workforce agencies to collaborate.</p> <p><b>Training and technical assistance</b> Support the development of national intermediaries.</p> <p><b>Monitoring and research</b> Fund development of performance measures and ongoing research about what works.</p>
	<p><b>Key principles</b></p> <ul style="list-style-type: none"> <li>✓ Help newly employed residents retain their jobs over time and advance to higher wages.</li> <li>✓ Provide workable transportation assistance (possibly cars) to reduce the costs of working.</li> <li>✓ Make it a priority to reduce the level of crime and violence in the development and surrounding community.</li> <li>✓ Reach out to provide services to men, even if they are not official residents of the development.</li> <li>✓ Allow sufficient time for program design and start-up, and sustain services over multiple years.</li> <li>✓ Help residents remain in the development (rather than moving) if they want to stay.</li> <li>✓ Educate the public about high rates of employment and work effort among residents of distressed communities.</li> </ul>		
Help low-income workers who live in high-poverty neighborhoods find and keep jobs in opportunity-rich areas.	<p><b>Job training and placement</b> Target employment centers in suburban locations that offer well-paying jobs.</p> <p><b>Housing vouchers</b> Help voucher recipients find housing in areas close to suburban employment centers.</p>	<p><b>Commuting assistance</b> Fund programs targeted to residents of high-poverty neighborhoods.</p> <p><b>Locally funded vouchers</b> Target assistance to help families find housing close to their work.</p> <p><b>Housing development and preservation</b> Develop and preserve assisted housing in safe, opportunity-rich neighborhoods</p>	<p><b>Support for commuting assistance</b> Provide funding for groups that help workers access jobs in opportunity-rich areas.</p> <p><b>Training and technical assistance</b> Support the development of national intermediaries.</p> <p><b>Monitoring and research</b> Fund development of performance measures and ongoing research about what works.</p>
	<p><b>Key principles</b></p> <ul style="list-style-type: none"> <li>✓ Allow sufficient time for program design and start-up, and sustain services over multiple years.</li> <li>✓ Provide ongoing assistance with job retention in conjunction with transit assistance.</li> <li>✓ Ensure that commuting times are reasonable and predictable so that the cost of working is not excessive.</li> <li>✓ Consider individual cars rather than transit as a commuting solution.</li> <li>✓ Link commuting assistance with child care and other supports families need.</li> <li>✓ Enable families that find jobs to move closer to employment if they want to move.</li> </ul>		



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## Notes

1. For analysis of trends in the concentration of poverty, see Paul Jargowsky, “Stunning Progress, Hidden Problems: The Dramatic Decline of Concentrated Poverty in the 1990s.” Washington, DC: The Brookings Institution, 2003; and Kathryn L. S. Pettit and G. Thomas Kingsley, “Concentrated Poverty: A Change in Course.” Washington, DC: The Urban Institute, 2003.
2. For a comprehensive review of the empirical literature on neighborhood effects, see Ingrid Gould Ellen and Margery Austin Turner, “Does Neighborhood Matter? Assessing Recent Evidence.” *Housing Policy Debate* 8, no. 4 (1997): 833–66.
3. For more on the contribution of public and assisted housing to racial segregation and poverty concentration, see Michael Schill and Susan Wachter, “The Spatial Bias of Federal Housing Law and Policy: Concentrated Poverty in Urban America.” *University of Pennsylvania Law Review* 143 (1995): 1285–1341; and Douglas S. Massey and Nancy Denton, *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press, 1993.
4. To learn more about the overlap between assisted housing residence and welfare reciprocity, see G. Thomas Kingsley, Jennifer Johnson, and Kathryn Pettit, “HOPE VI and Section 8: Spatial Patterns in Relocation.” Washington, DC: The Urban Institute, 2002; and Barbara Sard and Margy Waller, “Housing Strategies to Strengthen Welfare Policy and Support Working Families.” *The Brookings Institution and the Center on Budget and Policy Priorities Research Brief*, Washington, DC: The Brookings Institution, 2002.
5. Results from MTO are reported in John M. Goering and Judith D. Feins, eds., *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*. Washington, DC: Urban Institute Press, 2003; and Larry Orr, Judith D. Feins, Robin Jacob, Erik Beecroft, Lisa Sanbonmatsu, Lawrence F. Katz, Jeffrey B. Liebman, and Jeffrey R. Kling, *Moving to Opportunity Interim Impacts Evaluation*. Washington, DC: U.S. Department of Housing and Urban Development, 2003. Results from Jobs-Plus are reported in Howard S. Bloom, James A. Riccio, and Nandita Verma, *Promoting Work in Public Housing: The Effectiveness of Jobs Plus—Final Report*. New York: Manpower Demonstration Research Corporation (MDRC), 2005; and Linda Yuriko Kato, *Participating in a Place-Based Employment Initiative: Lessons from the Jobs-Plus Demonstration in Public Housing*. New York: MDRC, 2003. Results from Bridges to Work are reported in Anne Roder and Scott Scrivner, “Seeking A Sustainable Journey to Work: Findings from the National Bridges to Work Demonstration.” Philadelphia: Public/Private Ventures, forthcoming; Christopher Reardon ed., “In the Driver’s Seat.” Philadelphia: Public/Private Ventures, 2001; and Mark Elliot, Beth Palubinsky, and Joseph Tierney, “Overcoming Roadblocks on the Way to Work: Bridges to Work Field Report.” Philadelphia: Public/Private Ventures, 1999.
6. For more information about recent labor market trends for low-skilled workers, see Harry J. Holzer, Steven Raphael, and Michael A. Stoll, “Employers in the Boom: How Did the Hiring of Unskilled Workers Change during the 1990s?” Washington, DC: The Urban Institute, 2003.
7. For a review of recent changes in public housing policy, see Rod Soloman, *Public Housing Reform and Voucher Success: Progress and Challenges*. Washington, DC: The Brookings Institution, 2005.
8. The crosscutting lessons and implications for action presented here were informed by a day-long symposium held at the Urban Institute in January 2005 and attended by a distinguished group of policymakers, practitioners, advocates, and analysts with experience and expertise in employment, housing, community development, and child well-being.
9. For more information on results from the Gautreaux demonstration, see James Rosenbaum, “Changing the Geography of Opportunity by Expanding Residential Choice: Lessons from the Gautreaux Program.” *Housing Policy Debate* 6, no. 1 (1995): 231–69; and James Rosenbaum and Stephanie Deluca, *Is Housing Mobility the Key to Welfare Reform? Lessons from Chicago’s Gautreaux Program*. Washington, DC: The Brookings Institution, 2000.
10. Many of these early findings are collected in John M. Goering and Judith D. Feins, eds., *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*. Washington, DC: Urban Institute Press, 2003.
11. Information about the mobility counseling programs is provided in John Goering, Judith D. Feins, and Todd M. Richardson, “What Have We Learned About Housing Mobility and Poverty Deconcentration?” In *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*, edited by John M. Goering and Judith D. Feins (3–36). Washington, DC: Urban Institute Press, 2003.
12. Information on MTO applicants and their success in finding housing in low-poverty neighborhoods comes from Mark Shroder, “Locational Constraint, Housing Counseling, and Successful Lease-Up.” In *Choosing a Better Life? Evaluating the Moving to Opportunity Social Experiment*, edited by John M. Goering and Judith D. Feins (59–80). Washington, DC: Urban Institute Press, 2003.
13. Unless otherwise indicated, the MTO results presented here are all drawn from Larry Orr, Judith D. Feins, Robin Jacob, Erik Beecroft, Lisa Sanbonmatsu, Lawrence F. Katz, Jeffrey B. Liebman, and Jeffrey R. Kling, *Moving to Opportunity Interim Impacts Evaluation*. Washington, DC: U.S. Department of Housing and Urban Development, 2003.
14. These findings are based on unpublished research being conducted by the Urban Institute and Abt Associates.

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15. Unless otherwise indicated, all results from Jobs-Plus are drawn from Howard S. Bloom, James A. Riccio, and Nandita Verma, *Promoting Work in Public Housing: The Effectiveness of Jobs Plus*. New York: MDRC, 2005.

16. Unless otherwise noted, all BtW results are drawn from Anne Roder and Scott Scrivner, *Seeking a Sustainable Journey to Work: Findings from the National Bridges to Work Demonstration*. Philadelphia: Public/Private Ventures, forthcoming.

17. This estimate is based on the costs of the *on-site features of the program* (including the rent incentives) at the three stronger implementation sites. The per-person cost would be lower after accounting for the fact that many residents moved and no longer generated Jobs-Plus costs after leaving.

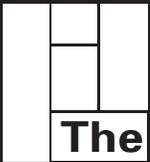
18. See Rebecca M. Blank, “Evaluating Welfare Reform in the United States.” *Journal of Economic Literature* 40 (2002): 1105–66; and Harry J. Holzer, Steven Raphael, and Michael A. Stoll, “Employers in the Boom: How Did the Hiring of Unskilled Workers Change during the 1990s?” Washington, DC: The Urban Institute.

19. Although relatively few MTO movers stayed in neighborhoods with poverty rates below 10 percent, almost half did stay in neighborhoods with poverty rates below 20 percent rather than return to very high poverty neighborhoods.

20. Mobility varied considerably across the Jobs-Plus sites, with two-year move-out rates ranging from 17 to 48 percent.

21. For more information on the persistence of discrimination in housing and labor markets, see Margery Austin Turner, Stephen L. Ross, George Galster, and John Yinger, “Discrimination in Metropolitan Housing Markets: National Results from Phase I of HDS2000.” Washington, DC: U.S. Department of Housing and Urban Development, 2002; and Harry J. Holzer, “Racial Differences in Labor Market Outcomes among Men.” In *America Becoming: Racial Trends and Their Consequences*, edited by Neil J. Smelser, William Julius Wilson, and Faith Mitchell (98–123). Washington, DC: National Academy Press, 2001.

22. Although BtW did not produce measurable impacts, its results should not be interpreted to reject all efforts to connect low-income workers to jobs throughout their metro areas. Instead, these results suggest that one-time job-placement and reverse commuting assistance are likely to be ineffective.



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