

SECTION XIV SELF-EVALUATION

The City is required by HUD and the Government Performance Results Act of 1993 to formulate quantifiable outcomes, goals and objectives for projects and programs funded through the four grant programs that constitute the Consolidated Plan. The Consolidated Plan regulations also require that the results of planned program accomplishments be evaluated annually through preparation and submission of the CAPER (Consolidated Annual Performance Evaluation Report) to residents and HUD.

The Self-Evaluation section of the CAPER is designed to evaluate whether Consolidated Plan-funded project activities and programs are consistent with HUD's National Objectives of 1) developing viable communities by providing decent housing and a suitable living environment, and 2) expanding economic opportunities principally for low income persons. This section includes not only an evaluation of accomplishments but also speaks to the City's goals for the future, with this overall statutory purpose being paramount.

The CAPER contains information that will help HUD and residents determine whether the City's activities and strategies are making an impact on identified needs, and the indicators that best describe the results of project activities and programs. This section will also identify barriers that may have a negative impact on fulfilling the City's priorities and strategies for housing and community development and provide the status of the four grant programs that make up the Consolidated Plan.

The Self-Evaluation section also includes an examination of activities or types of activities that are falling behind schedule, determines if major goals are on target, and whether grant disbursements are timely. Also included is an evaluation of whether adjustments or improvements to strategies and activities might meet the City's housing and community development needs more effectively.

This year's Evaluation will also assess the City's adoption of a Logic Model process, called the Performance Checkup, which will refine the HUD-required *Assessment of Three- to Five-Year Goals and Objectives* to now evaluate the outcomes, or effects of projects.

CDD staff evaluated project activities receiving funding for the first year of the City's 2003-2008 Consolidated Plan (29th Program Year, 2003-2004) to determine if there were conclusions that may be reached about the nature of the projects and program activities that assured that goal setting was reasonably foretold for this period, and accomplishments adhered to planned goals.

Many of the project activities and programs undertaken during 2003-2004 met or exceeded goals for the period established for them. Many of the projects that met or exceeded goals were housing related. Examples include:

- Housing Development – New Construction
- Housing Development – Acquisition/Rehabilitation
- Housing Rehabilitation – Single Family
- Handy Worker (Minor Home Repair)
- Home Ownership Assistance

The most apparent conclusion is that the LAHD has had several years of experience in operating such programs, and, even though programs are on a demand basis, LAHD can readily forecast successive year's goals from previous program experience. Examination of the existing loan portfolio, client contact counts, contract monitoring data, are all readily available. There is also a wealth of external data available for making intelligent decisions in forecasting goals for housing activities funded through the Consolidated Plan grants.

However, even with such documentation on hand, LAHD has been faced with exceedingly difficult market forces, such as skyrocketing rents and sale prices for single family housing, lack of buildable sites, community opposition to affordable housing, the deep public subsidies typically required for new multi-family construction, and the growing affordability gap between household incomes and home prices, among many other factors. LAHD has also been faced by constraints imposed by federal Consolidated Plan grant program regulations, such as the prohibition on new construction with CDBG funds and rent limits and covenants required by the HOME program.

The City's Housing Department is the entity within the City designated to administer the Housing Opportunities for Persons With AIDS (HOPWA) Program. The City faces a unique challenge in overseeing a program that is Countywide. In addition to a lengthy Notice of Funding Availability Process (NOFA), the City must also negotiate the intricacies of developing housing in other municipalities, address Not In My Backyard (NIMBY) concerns, and provide supportive/medical services appropriate to Persons Living With AIDS (PWAs) and their families close to the housing developments.

The limited amount of HOPWA funding available for development has led to cooperative agreements with other government agencies, non-profit developers and banking institutions to significantly leverage HOPWA funding. The result has been encouraging. The 2003-2004 goal for HOPWA Rental Assistance, for example, was to provide services to 3,726 persons living with HIV/AIDS households, and the program served slightly less than that goal, with 3,551 persons receiving rental assistance. For Supportive Services, the HOPWA program exceeded its goal of providing critical services to 14,428 persons living with HIV/AIDS by serving 15,607. Additional funding will be allocated in the future to project activities under this category, namely the Housing Case Management, Supportive Services in Permanent Housing, and other supportive services programs.

Goals formulated for first-year Action Plan project activities for persons with special needs, particularly seniors, the disabled, and the frail elderly, appeared to have been well forecast. The citywide Home Secure program exceeded projected goals by 764 households, or 160% of the Action Plan goal. This may be due, again, to the ability of the Department of Aging to readily develop historical information from previous program performance and contractor data (three contractors, Delta Sigma Theta, Harbor Community Development Corporation, and Jewish Family Services operate the program). Also, the nature of the program – installation of home security devices for qualified seniors is relatively quantifiable and more amenable to forecasting than, for example, implementation of a new modality (treatment) in adult day care.

AIDS Prevention activities are characterized by individual contract goals with each agency implementing supportive services, counseling and treatment for persons living with HIV/AIDS and those at risk. Of the four AIDS Prevention programs continuously funded through the 2003-2004 period, all Consolidated Plan goals were far exceeded each year. Goal and achievement fit would be due to several factors, the most likely being good recordkeeping and substantial experience in managing subcontracted programs on the part of the AIDS Coordinator's Office. Other programs that were characterized by good goal and accomplishment fit included:

- Domestic Violence Shelter Operations
- LA's BEST
- South Central Youth Opportunities; among several project activities.

Formulating goals is a particular challenge for CDBG- and ESG-funded homeless project activities managed by the Los Angeles Homeless Services Authority (LAHSA); programs are routinely oversubscribed; and understandably, goal setting is difficult in trying to determine how many and what type of services may be provided to a transient population. For the 2003-2004 Action Plan it again was readily evident that programs such as the Winter Shelter

Program and Access Centers were vastly oversubscribed because of the sheer extent of homeless need. LAHSA nevertheless provided “best faith” goals for all Plan-funded activities for each year, despite the near-impossibility of accurately forecasting the demand for such services. The rootless nature of homelessness and a reluctance by the homeless to provide personal data works against goal formulation.

However, with development of the HMIS (Homeless Management Information System) and a recount of the homeless soon to be complete (the last estimate of the number of homeless in Los Angeles County dates to 1994, by Shelter Partnership), client data will be more readily available and reports may be developed that will make forecasting for Consolidated Plan goals easier, but not foolproof. From LAHSA’s standpoint, improved technology will contribute to better forecasting and demand estimates for programs. This lesson may also be extended to other departments and related City agencies administering Consolidated Plan funds. A worthwhile goal is data sharing on projects and approaches to project implementation. A centralized grant project data base could contain not only data on the projects themselves, but “best practice” information. Such a database could also contribute greatly to the City’s efforts in recasting Consolidated Planning to a performance and results based orientation, as such a database could contain standardized measures for measuring project outcomes and accomplishments.

The City undertakes a wide range of economic development project activities funded primarily through CDBG, HUD Section 108 Loan Guarantee, Economic Development Initiative (EDI), Economic Development Administration (EDA) grants and other programs. During the 2003-2004 Action Plan, the Consolidated Plan goals of job creation and retention and business assistance have not changed. For the most part, goals have been on target; job creation goals were often exceeded, as were small business client assistance and business loan targets.

Neighborhood improvement and public facility project activities, funded substantially through CDBG, generally met goals during the 29th Year Action Plan. The biggest challenge was to determine mutually agreed-upon workload indicators.

One of the most visible City Wide programs is the Neighborhood Block Grant program (formerly Targeted Neighborhoods Initiative), funded through CDBG since 1997. NBG is primarily a physical improvement program at work in several Los Angeles defined neighborhoods throughout Los Angeles. Each NBG area has multiple project activities, not limited to physical improvements making formulation of goals and reporting of accomplishments extremely complex. Several City departments, including several Public Works bureaus, the Los Angeles Housing Department, and others, carry out NBG projects. For the 2003-2004 Action Plan, specific NBG goals and accomplishments are being reported in the CAPER, a marked improvement from previous years.

Because NBG programs are closely stakeholder driven and the hearings, award and approval of CDBG funds for projects is on a different cycle than the Consolidated Plan, it is a challenge for NBG staff to establish goals for the Action Plan. However, the Project Expenditure Plan (PEP) system requires forecasting of measurable goals and accomplishments as a condition for funding clearance for each NBG project activity annually, partially resolving this need. It’s recommended that NBG staff – and other departments - use the PEP more aggressively as there forecasting “documentation in hand” for projecting individual project activity goals and accomplishments for subsequent Action Plans.

Neighborhood facility projects have generally been accurate in terms of goals and accomplishments for the Action Plan program; in many cases because the goal was relatively simple - completion of one facility, or acquisition of a site for a facility. This statement, however, should in no way minimize the complex approval, coordination, and monitoring process involved in facility renovation or construction. This year, the Neighborhood Development Division of CDD completed renovation or rehabilitation of thirty community facilities. Renovation of these facilities fosters the City’s priority of providing a better living environment in our neighborhoods by providing additional space of provision of a wide variety of public services.

Many City departments have multiple internal goals to measure the success or the need for “fine tuning” of project activities underway; however, the limitations imposed by HUD IDIS reporting do not permit the City to report on workload indicators other than those established by HUD. This has been a particular problem in the case of the Code Enforcement – Citywide PACE program. Two critical indicators of program accomplishment include property sites surveyed for code enforcement, and abatement orders closed. Neither of these indicators is defined within the HUD Matrix Code reporting structure and cannot therefore be used in the IDIS Grantee Performance Report. It’s strongly recommended that HUD consider expanding reporting code definitions as part of its overhaul of the CAPER reporting system. The Performance Checkup used for this year’s CAPER, however, will establish workload indicators for many project activities and programs.

As Consolidated Plan funds are projected to shrink, not grow, particularly in the face of funding challenges imposed by a large federal deficit and terrorism, there is the possibility that HUD priorities may change, or national allocation formulas be less generous. The need, therefore, for accurate goal forecasting and reporting of accomplishment data will be greater than ever. Standardization of reporting will therefore contribute to more favorable Congressional scrutiny of the performance of Consolidated Plan programs in HUD’s Annual Report, thereby working towards the goal of a continual stream of funding for the City; and contribute to the public’s understanding of how Consolidated Plan funding is being put to work in their community.

Meeting City Priorities

The City focuses its HUD funding towards fulfillment of priorities and strategies. All projects funded through the Consolidated Plan must meet one or more of these priorities and strategies. The following is an analysis of 2003-2004 project accomplishments, and how well the associated Plan priority was fulfilled through the 2003-2008 Consolidated Plan.

Provide a Better Living Environment in Our Neighborhoods – Project Accomplishments

Project Accomplishments	No. Of Programs	Percentage of Total
Met Goal	11	31%
Did Not Meet Goal	0	0%
Goal Not Reported	4	11%
Project Underway	21	58%
Total	36	100%

Protect and Assist the City’s Special needs Populations

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	24	44%
Did Not Meet Goal	12	22%
Goal Not Reported	3	6%
Project Underway	15	28%
Total	54	100%

Promote Job Creation and Business Retention

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	1	5%
Did Not Meet Goal	6	30%
Goal Not Reported	10	50%
Project Underway	3	15

Total **20** **100%**

Foster Family Self-Sufficiency

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	2	50%
Did Not Meet Goal	2	50%
Goal Not Reported	0	0%
Project Underway	0	0%
Total	4	100%

Increase Access to Affordable and Decent Housing

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	5	45%
Did Not Meet Goal	1	10%
Goal Not Reported	5	45%
Project Underway	0	0%
Total	11	100%

Increase Public Safety

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	0	0%
Did Not Meet Goal	1	100%
Goal Not Reported	0	0%
Project Underway	0	0%
Total	1	100%

Promote the Development of Our Youth

Project Accomplishments	No. of Programs	Percentage of Total
Met Goal	1	20%
Did Not Meet Goal	1	20%
Goal Not Reported	2	40%
Project Underway	1	20%
Total	5	100%

The difficulty in reporting on the project meeting their goals for the CAPER was that they is a high percentage of projects that are underway or did not report on their achievements. Many of the reprogramming projects have not yet been completed and as such were reported as underway. There is also the tendency for projects to fit in more than one priority and the priorities change from year to year.

ARE THE ACTIVITIES AND STRATEGIES MAKING AN IMPACT ON IDENTIFIED NEEDS?

In general, Consolidated Plan program activities are meeting identified needs, and completed activities match the city's housing and community development priorities and strategies. However, the complexity of need and the difficulty in establishing techniques to qualitatively evaluate the impact of project activities remain significant hurdles in determining the impact of services on Los Angeles residents. A major goal of the 2003-2008 Consolidated Plan will be redesigning Consolidated Plan priorities after the results of the Needs Assessment are analyzed and compiled, and rank order the resulting priorities based upon the extent and location of need.

WHAT INDICATORS WOULD BEST DESCRIBE THE RESULTS?

The City of Los Angeles uses a variety of indicators to determine whether approved project activities are successful, including project monitoring, fulfillment of performance indicators, more sophisticated approaches such as outcomes analysis, and other approaches. A major obstacle is the need to devise a comprehensive system for evaluating program outcomes from both a benefit/cost standpoint, and develop benchmarks that measure the quality and extent of services.

Assessment of the Pilot Performance Checkup Process

The Performance Checkup contained within this CAPER equates to the "Assessment of Three- to Five-Year Goals and Objectives" required by HUD in its CAPER narrative guidance. The "Checkup" is rooted in the Logic Model process that is now being used for several HUD grant programs.

The Logic Model process describes the sequence of actions that describe what the program is and will do – and how investments link to results. The Logic Model concept links program operations and program accountability. All Logic Models share common characteristics including the identification of: problem or need, service or activity, outcomes and measurement reporting tools.

A Logic Model illustrates, for example, the presumed effects of hiring an outreach worker for determining the need for public services, launching a media campaign advertising the availability of housing rehabilitation loans, or using revised curricula in an after-school program. For example, "trained outreach workers lead to more information about AIDS getting dispensed in a high-risk neighborhood; increased contacts with outreach workers leads to a greater proportion of hard-to-reach clients coming in for treatment".

These hypotheses about program effects are described in a logic model, are tested in a "theory-based" evaluation, and lead to "lessons learned." If program planners don't have any hypotheses guiding them, their potential for learning from the initiative is low, and the program is probably in trouble.

Logic models are useful for all parties involved in an initiative—the initiating organization's board members and top administrators, initiative leaders and staff, participating organizations, evaluators, and others seeking to understand the work. Logic models:

- Convey the fundamental purpose of an initiative;
- Show why the initiative is important;
- Show what will result from an initiative;
- Depict the actions/causes expected to lead to the desired results;
- Become a common language and reference point for everyone involved in the initiative;
- Serve as the basis to determine if planned actions are likely to lead to results;

The value of a logic model is that it visually expresses beliefs about why the program is likely to succeed.

Faulty logic models occur when the essential problem has not been clearly stated and defined, or factors influencing a problem are not well understood. It's not enough to have a goal (although clear goals are also essential). Goals exist because some action is needed. And it's hard to argue that action is needed if you don't have a problem. The factors affecting problems (and therefore goals) include both positive influences (called "protective factors" in some fields) as well as negative influences ("risk factors").

Use of the Logic Model in Funding Applications

The logic model may also be used for evaluation of City funding requests for Consolidated Plan resources. In this context, the Model should be an abstract of the program or service that is under consideration for funding, or has already been funded. The Logic Model should be representative of the entire grant application, and serve as the "executive summary" for the grant request. In this context it is used to make a "first impression."

Simply, the potential grant recipient should ensure that the logic model accurately conveys the purpose of

the funding request and the expected impact on people and their community. CDD is recommending that the framework used for the Performance Checkup be used for this year's and future year's funding applications.

Why Does HUD Encourage the Use of a Logic Model?

Data from the HUD logic model can be used to support City management and monitoring activities, including:

- How departments and related City agencies perform with regard to meeting projected outputs and short-term as well as long-term outcomes, or effects.
- The ability to monitor program activity while it is occurring, rather than after the fact.
- The ability to institute preventive corrective action to support on-going operations rather than a post-evaluation remedy after the fact.
- The ability to identify successful programs and *why* they are successful.
- The ability to replicate successful programs in other sites based on good information from existing programs.
- The extent to which both the City and HUD's Strategic Goals and Policy Priorities are being addressed;
- How well HUD funded programs are being implemented in the City;
- The ability to establish norms and realistic standards of performance based on actual experience in the field; and
- The ability to compare the City's performance against other Entitlement jurisdictions.

The City's Performance Checkup is rooted in these principles, with some modification. The HUD logic model process identifies and defines *outputs, or specific interim or final products*; the City's Pilot identifies outputs as quantifiable Action Plan goals achieved. In lieu of *benchmarks*, the term used in the HUD Logic Model, the City's Performance Checkup identifies *Measurement Reporting Tools*. Regardless of the terminology used, both are intended to *define and measure the progress of project activities and programs*.

Key to understanding and applying the Performance Checkup principles is demonstrating that there is a flow from the *problem, or needs statement*, to the *activity*, to the *City and HUD priority and strategy*, to development of *short-term and long-term outcomes*; to *goals and goal achievement*; and *evaluation* of the results.

The City's Performance Checkup also includes, under Measurement Reporting Tools, identification by City departments and agencies of where and in what format data supporting the project is kept. This will of course better enable HUD to verify data supporting goal accomplishments. However, indicating this information will also focus attention on the tools used to track outcome information, such as survey data, attendance logs, etc. and make the Performance Checkup process more meaningful and effective. A focus on how often data is required to be collected, who will collect it, and how often data is reported to HUD greatly assists in keeping projects and programs on track and organized.

Because this is the first year of a pilot program by the City in using Logic Model principles, it was expected that there would be some degree of confusion in responding to the requested Performance Checkup data.

City departments have been only asked over the last several City CAPERs to identify only if a numeric goal has been met. The 2004-2005 CAPER will further emphasize the need to move beyond achievement of workload indicators (i.e., one community facility renovated) to a fuller evaluation of the effects, or impacts of goal achievements on the community as a whole.

Pilot Success Stories

City departments and agencies providing data for the CAPER invariably were successful in identifying *the "Problem, Need, Situation"* Checkup requirement. This is particularly encouraging as this information is of great importance in determining whether a program is successful in comparison with the service or activity provided, and through comparison with outcomes and goal achievement.

Evaluations

Critical to the success of the Checkup process is a fair and balanced evaluation of not only the quantitative goal achievement, but also how the problem, need, or situation logically links to the activity undertaken, and how it resulted in project or program results. In training for the CAPER this year, instructors emphasized that the evaluation is not intended to make determinations of success or failure of projects or programs; however, the evaluation should be thorough enough to provide insight into fine tuning of programs if goals were not met, perhaps in terms of staffing or program design; or as further examples, possible expansion of the activity, participants, or the service area.

Pilot Challenges

Several departments and agencies understandably experienced difficulty in formulating long-term outcomes. Not all project activities or programs funded through the Consolidated Plan have long-term effects on the community, or they cannot be readily assessed. The 2004-2005 CAPER will innovate further by incorporating Quality of Life indicators to define and further measure long-term outcomes.

For example, the city of Baltimore uses *Vital Signs*, or outcome indicators designed to "take the pulse of Baltimore neighborhoods" by measuring progress toward a shared vision and desired outcomes for strong neighborhoods and quality of life. These *Vital Signs* were developed using a comprehensive community driven process, and are tracked over time. Indicators could include housing values, crime rates, and income levels. Quality of Life indicators may be useful to the City's Neighborhood Councils in encouraging participation in formulation of not only neighborhood goals, but in contributing to Consolidated Plan priorities and goals.

A homegrown example is Neighborhood Knowledge Los Angeles (NKLA). Established in 1998, NKLA's Web Site provides online tools for accessing property and neighborhood data. Goals of the project include improving housing and neighborhood conditions, preventing neighborhood disinvestment, and increasing information access for low- and moderate-income residents. NKLA strives to make public information available and understandable to neighborhood residents, community organizations, and policymakers, in order to mobilize support and influence community development and housing policy in Los Angeles.

Short-term outcomes, for the most part, were fairly well defined, inasmuch as in many cases, the short-term outcome is synonymous with the Action Plan performance goal.

Many departments and agencies did not define, under *Measurement Reporting Tools*, the location, type and format of the data supporting programs. With additional training and experience with the Performance Checkup process, City departments and agencies will be able to identify this information and incorporate this perspective in overall management of HUD-funded project activities and programs.

Additional departmental and agency training will be needed in better summarization of the *"Service or Activity"* Checkup data provided. Descriptions were often too long, or did not respond to the request in this

year's training on the CAPER to focus only on the essential mechanics of project activities. The training also stressed the importance of using percentage, or other quantifiable data in expressing their activity wherever possible, and that such data should be in agreement with short-term outcomes.

Change in Action Plan Performance Goals

As in previous years CAPERs, several City departments reported that performance goals stated in the Action Plan were incorrect, or had to be revised during the reporting year. This had an effect on one aspect of the Performance Checkup, and that is accurately reporting goal achievement, but in the larger context of an overall project or program evaluation.

However, future inflexibility in this area would work against successful use of the Checkup, particularly for public service activities (and in particular, homeless programs) that are sometimes resistant to reasonable estimates of client participation for the Action Plan, because they are more often than not vastly oversubscribed (as is the case in Los Angeles) or it is difficult to determine estimated client workload because of program funding reductions, the nature of the activity, differences in the Consolidated Plan program year vs. that of nonprofit organizations and the City itself (complicating client reporting), and for other reasons.

For example, the City's Human Service Delivery System saw reductions in funding and a change in the HUD Public Services cap from 25% to 15%. Changing service providers was also a factor in the need to revise the Action Plan goal for unduplicated clients served from 30,000 to 20,250.

Citywide Evaluation

Several Citywide themes seemed to emerge in review of the data in the Performance Checkup. As has been the case in the past, lack of adequate funding – and the need for time to complete projects were identified as culprits working against successful implementation of Consolidated Plan-funded projects and programs. However, closer examination of the evaluations and the long-term goals that departments established for projects revealed several additional themes that resolution of which will influence how successful the City is in continuing to manage consolidated planning in the future.

Leveraging for HUD funded programs is virtually at peak level. Most programs are leveraging HUD funds with other funds or utilizing other agencies, non-profit and profit, to supplement and maximize resources and accomplishments. To take leveraging to another level, the City would require more funding for personnel to administer and monitor new and innovative programs such as expanding into the private sector for leveraging.

With current HUD funding, the consolidated programs are making an impact but they are not keeping up with the growing need of the growing population. This is because HUD funding is shrinking each year while the City of Los Angeles continues to grow.

Present HUD evaluation requirements use goals or accomplishments that are based on the amount of funding the City receives. But what does the City, in reality, need to make an impact that actually reverses the lack of affordable housing and service trends? Looking at successful programs already in place, the City should project how much of an increase to these programs will actually slow down or reverse escalating shortfalls related to National Objectives, City Priorities, and City Strategies. Once this is determined, the City can project how much funding would be required.

This type of approach would then realistically give HUD an idea of what type of funding and programs would reverse the trend of increasing public need for subsidized housing and services.