



Telling Our Story

Highlights from CEDC's 30th
Anniversary Impact Assessment

April 2012



Introduction

In recent years, community development corporations and other non-profit organizations have put increasing emphasis on the importance of evaluating a group's impact on individuals, families and communities. At the Cabrillo Economic Development Corporation (CEDC), this work has taken place through a variety of formats, including surveys, focus groups, and one-on-one discussions with residents and clients. Over recent years, CEDC has also undergone formal assessments of its impact, including a 2003 study of its NeighborWorks® Home Ownership Center clients and a 2006 study of the Real Estate Development Division.

In 2011, as CEDC celebrated its 30th anniversary, we undertook our most comprehensive set of impact assessments to

date. This series of evaluations, the high-level results of which are documented in this report, represent a quantitative analysis of the organization's impact on the local economy, a study of CEDC's contribution to improving the lives of those who access our housing and services, and a review of changes in opinions and perceptions of affordable housing during CEDC's four-decade tenure.

With this information in hand, we can better illustrate, both qualitatively and quantitatively, the value of our work and our efforts to improve lives through housing. We hope that this multi-pronged process and report can serve as a best practice throughout our peer network and inspire other CDCs to consider conducting similar studies, so the field can better articulate its impact moving forward.

CEDC Generates Local Jobs and Contributes to the Economy

In Summer 2011, CEDC partnered with California Lutheran University's Center for Economic Research and Forecasting (CERF) to conduct an assessment of the organization's impact on the local economy, both throughout Ventura County as well as in each of the County's jurisdictions. The study used CERF's proprietary license with IMPLAN, an economic software system that calculates the direct, indirect and induced economic impact of the dollars circulated through the economy as a result of CEDC's operations, capital improvements, and one-time construction projects. The study also calculated the economic impact of the dollars saved by families who either rent an affordable home or who access a favorable loan product to move into homeownership.

Key findings include:

- Taking into account just annual operating and capital expenses, CEDC generates \$1.37 in economic impact for every \$1 spent, making the organization a positive contributor to the local economy.
- On an annual basis, CEDC's work generates nearly \$14 million in economic output in Ventura County and supports 60 local jobs in addition to the organization's own employees.
- The report estimates that the \$700,000 in annual total property tax exemption that CEDC receives as a non-profit is almost entirely offset by the \$662,200 in state and local taxes through the direct, indirect and induced economic activity generated by the organization. Thus, "the loss in property taxes is nearly matched by other taxes that flow into state and local coffers." Further, the report notes that "If [one] includes taxes from new construction CEDC will easily surpass the \$700,000 in

Through the 259 new affordable rental homes that CEDC had under construction during FY 2011, the organization is projected to generate an additional \$124 million in economic impact and create 780 jobs.

exempt property taxes,” dispelling perceptions on the negative economic impact of non-profit developers.

CEDC Positively Influences the Local Housing Policy Climate

In August 2011, CEDC partnered with Housing Opportunities Made Easier (HOME), a housing policy and advocacy group, to distribute a survey to approximately 1,200 participants who attended one or more of the 10 annual Ventura County Housing Conferences (VCHC) co-hosted by CEDC, HOME, and the Ventura County Economic Development Association. The survey asked questions about policy changes or relationships that have been established in part by the networking and information gained from these annual forums. Coupled with a September 2011 focus group discussion with six housing leaders who have served as trailblazers in the local field of affordable housing, this study provided an opportunity for Ventura County’s housing stakeholders to collectively reflect on how people’s perceptions about affordable housing have changed over time.

- Survey respondents found the VCHC series to be especially valuable in introducing organizations to new ideas, and to re-energizing them around housing.
- Eighty-three percent (83%) of survey respondents cited the VCHC series as providing them with an opportunity to make connections with others interested in housing, and to establish partnerships with those connections.
- Respondents have observed improvements in several aspects of the Ventura County housing environment over the past decade, and believe the VCHC has exerted at least some influence over those changes. In particular, more than 60% of the 59 respondents cite an increase in public understanding of the need for affordable housing, and in both the quality and quantity of relationships among housing stakeholders brought together by the conference.
- Focus group attendees cited CEDC’s ongoing work as an educator about the need for affordable housing as helping to make a difference in public support for affordable housing in communities around the region.
- Focus group members also recognized CEDC’s ongoing work in developing high-quality, attractive affordable housing properties as making a significant difference in community attitudes toward and acceptance of affordable housing.

“Over the past 30 years, local government has become both more aware and more proactive in supporting affordable housing in their communities. Cabrillo’s advocacy has been key in bringing this about.”

- Lynn Jacobs, Former Director of the California Department of Housing and Community Development

“While the affordable housing landscape today may be more daunting than ever as we move forward in the most volatile and uncharted economic environment we have ever experienced, we will be able to overcome any new set of challenges if we apply the same intangibles that made CEDC’s success possible in the past – perseverance in the face of all odds, a steadfast commitment to organizing, and an unshakable faith in human rights and the dignity of all people, coupled with creativity, an open mind, an innovative spirit, patience, a respect for and an appreciation of differing points of view while staying true to our mission, and last but not least, a hearty sense of humor. Si se puede!”

- Barbara Macri-Ortiz, Attorney and Former CEDC Board Member

CEDC Homes Help Families Become Stronger and Healthier

The third aspect of CEDC’s impact assessment focused on the social and financial impact of its work and the contribution that CEDC makes to families moving toward self-sufficiency. We surveyed those families living in our rental housing and households who are working toward and/or achieved their dreams of homeownership. Through this study, we aimed to measure changes in financial confidence and stability, sense of community, and connection with the surrounding neighborhood.

In Summer 2011, CEDC mailed surveys to all 646 households living in affordable CEDC apartments and 530 households recently served by the CEDC NeighborWorks® Home Ownership Center, representing all those who have purchased for-sale homes built by CEDC in the last seven years and a subset of households who recently attended an eight-hour homebuyer education workshop. We received an impressive 45% response rate to the survey from residents living in CEDC rental developments and a smaller response rate (16%, or 83 surveys, including 53 homeowners) from the HOC client base. From those who responded – particularly those living in CEDC properties – we are able to glean some important findings.

Living in a Cabrillo rental home and purchasing a home with assistance from CEDC have a positive contribution on children’s education and families’ aspirations for their children’s future. Much of today’s research focuses on the larger impact of affordable homes, and particularly the connection between housing, health and education. This study helped document this contribution.

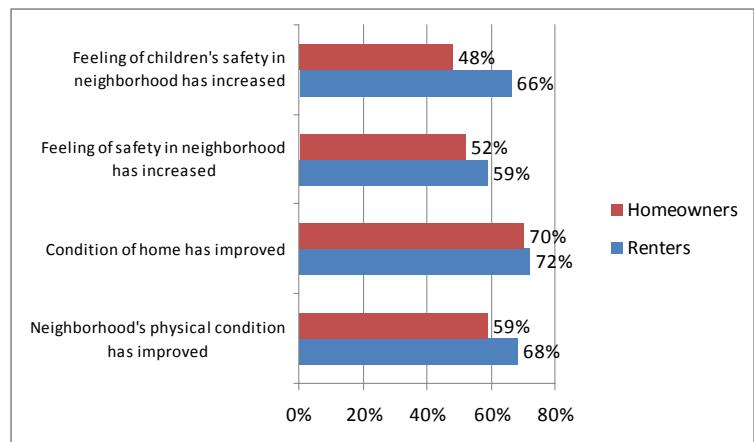
- The majority of renters surveyed who have school-age children (54%) say their children’s grades have improved since moving into their Cabrillo homes.
- Families have high aspirations for their children’s educational attainment – 70% of renters and 60% of HOC clients who responded say they hope their children will obtain a graduate degree, and more than 80% of respondents from both populations feel confident in helping their children achieve their goals.
- The majority of CEDC renters (52%) stated that their confidence in their ability to help their children reach their goals has increased since living in their CEDC home.

“I get sick less and my kids are happy. [Living in a CEDC home] has changed my life.”
- CEDC rental tenant

Cabrillo renters and HOC homeowner respondents are improving the quality and condition of their living environment in conjunction with Cabrillo housing and services. As seen in the chart to the right, in almost all categories, a majority of respondents of both populations report improvements in condition since either moving into a CEDC rental home or moving into an owned house.

How Have the Following Conditions Changed since Moving into a CEDC Rental Home or a For-Sale Home?

Percentage of Survey Respondents Who Responded ‘Strongly Agree’ or ‘Agree’
N = 293 (CEDC renter), N = 53 (homeowner)



Clients educated through CEDC's NeighborWorks® Homeownership Center (HOC) who responded to the survey cite positive changes in their financial management skills and behaviors since receiving services through the HOC. The first step toward home ownership – and other types of long-range self-sufficiency aspirations – is having a good handle on one's finances. HOC clients who responded to this survey document improved financial behavior since receiving HOC services – the first step toward reaching their goals of buying and retaining a home.

- More than half of respondents (57%) say their ability to budget and manage their money has improved since receiving HOC services.
- Nearly three quarters (72%) of HOC clients say they now shop 'smarter' than they did before, being more aware of savings opportunities and reducing impulse purchases. Many other clients say they have created household budgets, reduced debt, and changed the way they use credit cards.
- More than half of HOC clients who responded to the survey (56%) save money on a regular basis, and about half save more now than they did before receiving HOC services, in some cases because they want to save for a home.

Both renter and HOC clients feel connected to their neighborhoods and communities. Whether it is a rental apartment or a for-sale house, an affordable home can have the ability to bring together neighbors and serve as anchors for community revitalization.

- More than three quarters of renters (79%) and 65% of HOC clients who responded to the survey either agree or strongly agree that they feel connected to their neighborhoods.
- More than half of homeowner respondents (60%) say their feeling of connection to their neighbors has grown since purchasing their home.
- Many renters (44% of rental survey respondents) say their connection to their neighborhood and their level of involvement in their children's schooling have increased compared to when they lived in their previous homes.

*Juana Gutierrez and children
Residents at CEDC's Paseo Santa
Clara rental development, Oxnard*



CEDC rental communities and HOC services have helped to improve clients' financial security, living conditions and well-being. National research shows that individuals and families in affordable homes benefit from the stability, security and space that come with decent living conditions. CEDC's research helps validate this hypothesis.

- In open-ended question responses, many renters cite the improved space and living conditions for their families found in their CEDC home as providing them with much more peace and stability.
- Compared to their previous home, more than half of HOC homeowners who responded to the survey said their personal happiness and emotional well-being (65%) and/or their family's overall happiness and emotional well-being (68%) had improved.

Learnings and Conclusion

By conducting this multi-pronged impact assessment, CEDC gleans valuable information that assists staff in improving program delivery and better understanding its client base.

Bringing Community Home CEDC's Impact on Children

Households in CEDC rental homes offered the following insights about how an affordable home has impacted their children's lives:

Since moving into a CEDC home, my child:

"has more confidence, is more outgoing, and is less shy."

"now does his homework in his own room."

"is now more outgoing and has more friends."

"has more space and tranquility to study."

"has better grades."

"has more freedom and is more sure of himself."

"is more motivated to read."

"puts more effort into school."

"is proud to live at Cabrillo."

As examples, CEDC's Home Ownership Center is working with staff from CEDC's Property Management Department to set up a referral and outreach system so that families interested in owning a home can better access free homebuyer education and counseling services. In addition, the two departments are planning to offer budgeting and financial management services to households as they move into CEDC's affordable rental developments. This addresses an important rental survey finding that families moving into affordable rental developments are not necessarily saving money at the end of each month, even though their rents might be lower than prior living arrangements.

These two program strategies are complementary – families who ultimately want to move into homeownership will need to first focus on establishing strong credit, reducing debt and increasing savings, and those who see an affordable rental home as a long-term housing choice can improve their financial capacity to work toward long-range goals for themselves and their families.

This assessment also provides data to support CEDC's work with key stakeholders. CEDC's Chief Executive Officer and other staff have shared data about CEDC's local economic and jobs impact – both through new construction and via ongoing operations – with public leaders at the local, state and national levels, a message that resonates even more during this recession. Groups like CEDC, HOME and others can use this data when advocating for the lasting impact of a permanent source of affordable housing and for the creation of a Ventura County Housing Trust Fund. Finally, this project also formalized a relationship between CEDC and California Lutheran University. This partnership could evolve over time to include impact assessments of other community development corporations and affordable housing organizations,

and collaborations between CEDC and other CLU centers and initiatives.

In conclusion, CEDC hopes this study has repercussions beyond our organization to the field. Replication of an impact assessment like this can take various forms, and will vary depending on an organization's business lines, staff capacity for evaluation and data analysis, existing external partnerships and organizational focus. During a time when local, state and national affordable housing financing sources are scarce and threats to the future of the field loom, we hope that this approach to collecting and communicating data inspires others to think about new ways to tell their own story of impact.