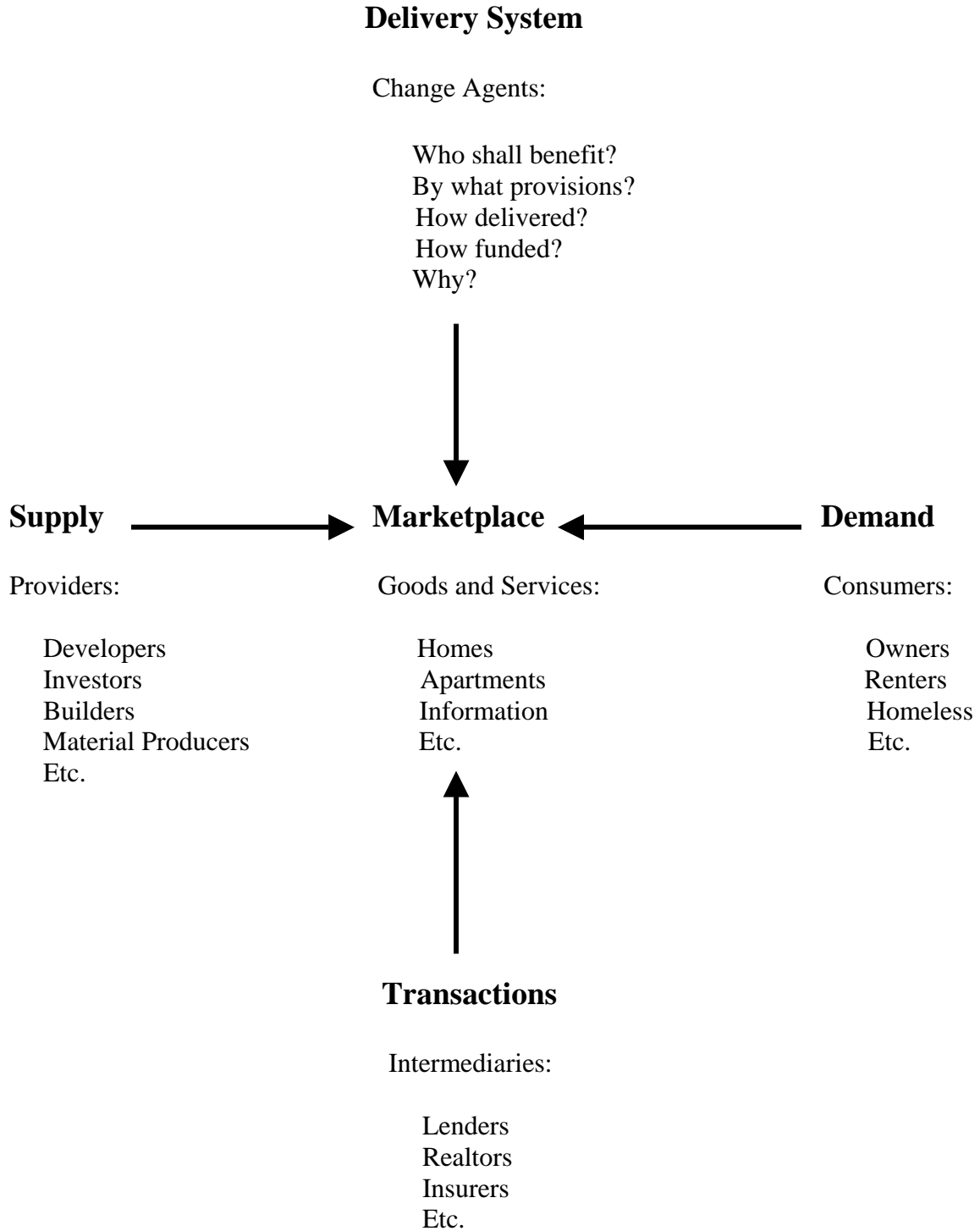


SYNERGY OF THE PLAN



POLICY CHOICES IN HOUSING INTERVENTION



Heuristic Model of Performance Measures

As planned change, housing and community development projects can begin by specifying the results wanted. State and community leaders generally want maximum results for their cities, counties, or regions. Common performance measures for projects could include:

1. Jobs provided
2. Workers trained
3. Investments leveraged
4. Units produced
5. Sales, revenues, and/or incomes generated.

Local project proposals can crystallize the above performance measures. State agencies can estimate cumulative, annual totals for program planning.

Specifically, jobs provided might include number of jobs created and/or retained, entry level or higher skilled. Workers trained might include number of workers trained, retrained, and/or trained on the job; low and moderate income. Investments leveraged might include amount of investments in capital improvements, equipment, or advanced technology. Units produced might include outputs and outcomes of products and services, for example: units of rental housing built, miles of water main installed, etc. Sales or revenues generated might include total sales, profits, or reinvestments in communities. Incomes generated might include program income, higher wages, or additional payroll.

As public policy, state agencies provide technical and financial assistance to local housing and community development activities. Financial assistance includes a variety of loans, loan guarantees, grants, capital investments, tax credits, and tax exemptions. State agencies seek a favorable return on the use of these financial resources. A good rate of return should be reflected in the performance measures of an approved project.

The above performance measures are discrete: each can stand alone. However, the dynamics behind the measures interact, also. For example, systemic linkages exist within customer/supplier networks of companies. Multiplier effects occur within communities from cycles of new or higher employee incomes/expenditures. While interaction effects are difficult to determine, attempts may be worthwhile.