Evaluation of the Youthbuild Program
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Evaluation of the Youthbuild Program

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Foreword

First authorized by the Housing and Community Development Act of 1992, the Youthbuild Program provides opportunity for at-risk youth living in distressed American communities. Youthbuild serves very-low-income youth between the ages of 16 and 24, most of whom hadn't completed high school. In the twenty local Youthbuild programs that are the focus of this report, fewer than ten percent of the participants were working at the time they entered the program and more than 40 percent had previously been arrested. Many of these youth also had substance abuse problems. In supporting these youth, HUD has worked with local entities to train over 6,000 participants during the past two years. In addition, these youth have constructed and/or rehabilitated over 2,500 units for low- to very low- income families.

In the Youthbuild program, these hard-to-serve youth are given educational opportunities. Many obtain their high school diploma or General Equivalency Degree through the program. All participants go through a course of leadership and public-speaking training to help promote their personal efficacy. They also receive training in construction skills by participating in the construction of housing in their communities. The housing built through Youthbuild helps to expand the supply of permanent, affordable housing for families with low incomes.

This report, prepared for the Department of Housing and Urban Development (HUD) by Applied Real Estate Analysis, Inc. (AREA), documents that the Youthbuild program has been successful in reaching these at-risk youth and in providing the education and training Congress requires. For the sites included in this study, AREA estimated that the cost of providing this training was a little less than $15,000 per participant. This report also examines studies of four other Federal programs intended to provide education and employment training for low-income youth. These other studies confirm that it is very difficult to make a difference in the lives of this at-risk population. A comparison of Youthbuild results and costs with these other programs suggests that Youthbuild may be a bit more costly. However, these comparisons are rough, and it is likely that Youthbuild serves a somewhat more difficult population. Additionally, Youthbuild provides the further benefit of expanding the stock of affordable housing.

The Youthbuild grants examined in this study all were awarded in 1998 or 1999. Since that time, HUD has made significant improvements to the management of the program, including developing a program performance measurement system. Additionally, HUD field staff has improved monitoring of the program to help further improve program performance.

We at HUD are proud of the contribution Youthbuild is making to improve the lives of disadvantaged young people in America. We look forward to continuing to serve them through our administration of the Youthbuild program.

Roy A. Bernardi
Assistant Secretary for
Community Planning and Development
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Although the other employment training programs do not have a housing construction component, it is a key part of the Youthbuild program; therefore, it is appropriate to include the cost of housing construction as part of the total program costs. However, while the new and rehabilitated affordable housing does provide additional benefit and value, those benefits were not considered as part of this evaluation.

“Very-low-income” is defined by Section 457 of the NAHA as income that does not exceed 50% of the median family income for the area as determined by HUD, with adjustments for smaller and larger families.

Planning grants were awarded for the purpose of researching and determining the feasibility of, and need for, a Youthbuild program in a selected location.

Rural areas are defined in five ways, including “places having fewer than 2,500 inhabitants.” The 2001 Notice of Funding Availability defines underserved areas as those census tracts where unemployment remains high (50% or more above the nation’s unemployment rate) and tracts where high rates of poverty (50% or more above the national average) persist.

We also eliminated grantees who did not respond to our requests for a visit to their program.

Youthbuild USA affiliates used the technical assistance provider’s definition, which included “any student who passes through the first month of the program, including orientation.”

The press releases did not provide figures on proposed number of completers.

In Chapter V of this report, we discuss how the characteristics of Youthbuild participants compare with those of participants in other youth employment programs. While only one of the four other program evaluations reported drug use (at a rate of 60%), three of the four comparison programs kept track of participants’ criminal history. They had arrest rates of 57%, 27% and 15%.
This test, published by McGraw-Hill, is used nationwide to measure achievement of basic skills commonly found in adult basic education curricula. Reading, language, mathematics, and spelling are the areas measured.

AmeriCorps engages more than 50,000 Americans each year in intensive public service. AmeriCorps members tutor and mentor youth, build affordable housing, teach computer skills, clean parks and streams, run after-school programs, and help communities respond to disasters. AmeriCorps members commit 10-12 months to these community service activities, working either full- or part-time. Upon completion, members receive an education award of $4,725 to pay for college or graduate school, or to repay student loans. They also receive health insurance, training, and student loan deferment. About half of the members also receive an annual living allowance of about $9,300. Part-time participants receive partial education awards.

Under 24CFR Chapter V, Subpart D, §585.305, the following are among the eligible activities: job placement (including entrepreneurial training and business development), counseling, and support services (for a period not to exceed 12 months after completion of training) to assist participants.

No explanation was given for why trainees’ wages appeared disproportionately small when compared with other site visit locations. However, it is notable that this grantee expended a larger percentage (35%) of its budget on outreach and recruitment than any other program visited.

The 2002 NOFA states that 25 out of 102 points are awarded to programs that demonstrate that the target area has high needs and is distressed relative to the national average. Indicators of high needs and distress include poverty rate, unemployment rate, high school dropout rate, falling tax base, recent commercial, industrial or military base closings, housing conditions and costs, and crime statistics.

Data on racial distribution could not be obtained.


Although the other employment training programs do not have a housing construction component, it is a key part of the Youthbuild program; therefore, it is appropriate to include the cost of housing construction as part of the total program costs. However, while the new and rehabilitated affordable housing does provide additional benefit and value, those benefits were not considered as part of this evaluation.


The construction costs, which relate only to Youthbuild, are deducted from the first four cost figures and included in the last two figures.

All costs have been converted into 2001 dollars. The numbers in parentheses are the original amounts.

HUD did not fund all Youthbuild program costs. Additional funds were raised from other public and private sources.
Youthbuild, a youth and community development program, was authorized in 1992 under the Housing and Community Development Act (HCDA) of 1992. It was based on the example of a privately funded project originating in New York in which youth who had dropped out of school participated in a program of personal and community development that taught leadership and public-speaking skills, helped the youth to earn their General Educational Development (GED) certificate, and provided both formal and informal counseling. While in this program, participants also developed job skills through projects to renovate abandoned buildings in their neighborhoods. A demonstration program in the early 1990s encouraged the implementation of a national program. Since then, a national network of Youthbuild programs has evolved, incorporating the same elements as the New York model. The U.S. Department of Housing and Urban Development (HUD) administers this program and provides funding, through an annual competitive grant application process, to local organizations who implement the Youthbuild program.

Federal regulations establish basic guidelines for the HUD Youthbuild program. Briefly, these guidelines specify that the program serves very-low-income youth, within the 16- to 24 age limits, who demonstrate an educational need—either by virtue of being high school dropouts or by justifying their need for inclusion in the program. Programs must provide these youth with academic training and on-site construction training, in equal proportion, and offer leadership training. Federal regulations also require that grantees assist with job placement, offer counseling and other social services to address the many problems participants encounter, and follow up for up to 12 months after participants leave the program to ascertain their living conditions and employment status, and to offer further counseling and job placement assistance. In addition to these youth training goals, HUD Youthbuild programs must expand the supply of permanent, affordable housing for low- and very-low-income families.\(^1\)

Applied Real Estate Analysis (AREA), Inc., was retained by HUD to evaluate the federally funded Youthbuild program. The purpose of this study is to describe the program’s funding, activities, and accomplishments; assess its cost effectiveness; and compare its accomplishments with those of other work-force development programs. The focus of this analysis is on HUD Youthbuild programs awarded grants between 1996 and 1999. The research included: (1) a detailed examination of reports filed at HUD Headquarters by Youthbuild grantees from 1996 to 1999 to determine the overall characteristics of Youthbuild grantees, program components, and youth participants; (2) site visits with 20 local Youthbuild programs to obtain more detailed information regarding variations in program design, accomplishments, and cost of operation; and

\(^1\) Code of Federal Regulations, Title 24—Housing and Urban Development, Chapter V—Office of Assistant Secretary of Community Planning and Development, Department of Housing and Urban Development, Part 585—Youthbuild Program.
(3) a comparison with other youth employment training programs using data from a literature review of past evaluations of comparable programs.

Between 1996 and 2002, over 18,000 at-risk youth have participated in Youthbuild, receiving academic instruction and construction training and other pre-employment services. The vast majority of these participants were high school drop-outs and came from very-low-income households; many also abused drugs and/or alcohol and had run-ins with the law. Youthbuild provided these youth with an opportunity to improve their academic achievement, to gain hands-on experience in a living-wage industry, and to obtain employment.

**KEY FINDINGS**

This evaluation of the HUD Youthbuild program compares the program with four other federally funded programs designed to serve disadvantaged youth: Job Corps, JOBSTART, and the youth components of Supported Work Demonstration (SWD), and Job Training Partnership Act (JTPA). Each of these programs serves roughly the same age group—from a minimum age of 16 to 17 to a maximum of 21 to 24. They assist economically disadvantaged individuals, offering them various mixes of academic and occupational skills training and providing training-related support services and job placement assistance.

Only one of the comparison programs, Job Corps, is still operating. Job Corps is the largest and most expensive of the federally funded job training programs for youth, in part because it requires participants to reside on site. JOBSTART was modeled after Job Corps, but did not offer a residential setting. Both the Supported Work Demonstration and the Job Training Partnership Act assisted economically disadvantaged individuals in all age groups, including out-of-school youth.

All four of these comparison programs have been rigorously evaluated through (1) randomly assigned experiment and control groups,2 (2) extensive data on participant demographics and program performance, and (3) tracking of outcomes over time (in the case of Job Corps for four years following program intake) using administrative data (wage record data collected by states) to track employment outcomes. Obviously, such evaluations are complex, long-term, and quite costly.

The principal conclusion from these evaluations is that helping disadvantaged youth advance economically and educationally is very difficult and expensive. Of the four rigorously evaluated comparison programs, only Job Corps—a very intensive and expensive residential program—was found to have significant impacts on participants’ educational achievement and earnings, although it did not show an impact on employment rates.

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2 Studies of the four comparison programs of federally funded youth employment programs compare participants in the programs, referred to as the experimental groups, with control groups made up of non-participants—youth who are excluded from participation in the programs for set periods of time.
Any comparison of these four programs with the HUD Youthbuild program in terms of outcomes must be rough at best. Youthbuild has not been subjected to a rigorous evaluation similar to those of the comparison studies. The evaluation conducted for the HUD Youthbuild program is largely qualitative, relying on data supplied by program providers, which varied in quality and completeness and tracked immediate outcomes (GED completion and job placement) for program participants and completers. (The other program evaluations tracked outcomes up to three years after program exit and had access to administrative data.) Also, our sample was not a statistical sample, and it is possible that our 20 sites may not properly represent the universe of Youthbuild programs—though we have no reason to believe that they are not representative. While we cannot definitively determine the impact of Youthbuild or its effectiveness, we can bring evidence to bear on the program’s outcomes and costs and how they roughly compare with other youth employment training programs.

Given these caveats, the information gathered through our research allows us to make the following comparisons across programs:

# **Relatively High Costs.** Youthbuild is expensive relative to other federally funded programs for youth. The average cost per Youthbuild participant, excluding construction costs, is estimated at nearly $15,000. This is comparable to the cost of SWD, which is close to $13,700 per participant in present-value dollars. Costs for Youthbuild and SWD programs are probably high because they both offer subsidized work for participants. In present-value dollars, JOBSTART and JTPA have significantly lower costs per participant—about $6,000 and $3,900 (maximum) respectively. Job Corps’ costs ($18,480 per participant) are significantly higher than those of all the other programs, primarily because the program provides participant housing and an array of intensive social support services. However, if the costs of construction are included, Youthbuild may even exceed Job Corps in cost per participant.

# **Similar Academic Achievements.** Approximately 29% of all participants who entered Youthbuild without a high school credential succeeded in obtaining that credential. By comparison, high school credentials were obtained by 35% and 29% of the Job Corps and JOBSTART control groups, respectively. Youthbuild’s figure is lower than the percentage of Job Corps (47%) and JOBSTART (42%) participants who attained the credential.

# **Limited Employment Achievements.** The Youthbuild findings show that as they left the program, 36% of participants in the 20 Youthbuild sites were employed.

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3 Because of the nature of the research design, the worst-performing grantees were not included among the potential 20 site visit locations. This is explained in more detail under “Site Selection Criteria” in Chapter 1, and in Appendix A, which describes the research design.

4 Although the other employment training programs do not have a housing construction component, it is a key part of the Youthbuild program; therefore, it is appropriate to include the cost of housing construction as part of the total program costs. However, while the new and rehabilitated affordable housing does provide additional benefit and value, those benefits were not considered as part of this evaluation.
This rate is actually lower than the rate for the control groups in the comparison studies. The most comparable data we have are on participants in the SWD, where a short-term (typically three months) follow-up of the treatment group after they had left the program found 42%-51% to be employed. Job Corps and JOBSTART findings do not show any significant impact on the employment levels of participants. However, Job Corps participants did have higher earnings than control group members.

Further Pursuit of Academic Training. The HUD Youthbuild program data show that 12% of participants pursued higher education upon program exit. Data are not available for how many attained a two- or four-year degree. Comparable data are not available for the other programs, but we do know that only 2% of Job Corps participants completed a two- or four-year degree during the extended follow-up period.

The HUD Youthbuild program also includes key elements—leadership skills training and an increased supply of affordable housing for low- and very-low-income families—that are not part of the comparative youth employment training programs. Analysis of the leadership component of the program is difficult, since Youthbuild grantees do not maintain or report quantitative information on leadership training activities undertaken by participants. However, our examination of the 20 local programs indicated that grantees offer many opportunities for such training. Several programs have established “advisory boards,” which are participant-run councils that address participant issues and serve as vehicles for developing and fostering leadership. Youthbuild’s success in achieving its housing-related objectives are somewhat easier to assess. Following are key findings from our analyses of the program’s housing component:

Limited Contribution to Affordable Housing Production. With a few exceptions, local HUD Youthbuild programs produce only a small number of affordable housing units. The vast majority of grantees proposed producing between one and five housing units per grant period, and less than that each year. During the 18- to 30-month grant period, site-visit programs worked on an average of 12.7 housing units and a median of eight units. The reason for this relatively high average is that in a few of the programs the participants contribute a small portion of the labor required to construct or rehabilitate a relatively large number of dwellings. Most of the programs that produce higher numbers of housing units involve the rehabilitation of a multi-unit building—on which participants perform some work on numerous units.

There is no doubt that housing construction and/or rehabilitation activity provides good opportunities for youth to learn important job skills, such as promptness and thoroughness, as well as specific trade skills. But in most instances, the training process is slow, and a relatively small number of units can be completed during each grant period.

Provision of Housing for Low- and Very-Low-Income Households. Federal
regulations for the HUD Youthbuild program mandate that 90% of the units produced must be occupied by households earning no more than 60% of the area median household income—a requirement that the program clearly meets. Given the federally funded programs used to finance Youthbuild housing (such as HOPE VI and Low-Income Housing Tax Credits) and the income restrictions these programs have for some units, it is assumed that the households who receive units built by Youthbuild meet the required definition of low- and very-low-income. Although documentation of residents' income levels was limited—at least among the 20 site-visit programs that we examined—Youthbuild program staff members also provided anecdotal evidence that mostly low- to very-low-income households rent or purchase housing produced using Youthbuild participants' labor.

**MAJOR CONCLUSIONS**

Based on a review of the outcomes and costs of the four federally-funded employment training programs with which the HUD Youthbuild program was compared, it is a very difficult task to exert positive impacts on the employment, earnings, and educational achievement of disadvantaged youth. Only Job Corps, a high-cost program that was subjected to a rigorous, experimental analysis, could demonstrate that the benefits of intensive intervention exceed the costs of mounting the program.

For a nonresidential program, Youthbuild is relatively expensive (in present-value dollar terms) when compared with the other four programs. And based on a very rough comparison, the GED results and employment rates of Youthbuild participants seem to be, on average, closer to those of the control group (those not served) in the Job Corps study than those who went through the Job Corps program.

Unlike the comparison programs, Youthbuild has not been rigorously evaluated, so we cannot make definitive claims about its impact and effectiveness. Even if HUD were to invest in a more rigorous assessment of Youthbuild's cost and effectiveness, such an evaluation would be complicated by the fact that, relative to the comparison programs, there is far less agreement among Youthbuild providers and HUD about what the specific objectives of the program are and how to measure and document the program impacts.

The HUD Youthbuild program achieves its goal of producing affordable housing that benefits the low- and very-low-income households for which it is intended. However, the number of units produced is small—usually one to two units each year per program grantee. While some Youthbuild programs report a larger number of completed housing units, their participants have usually contributed a small portion of the labor required to produce the dwellings.
CHAPTER I.
INTRODUCTION

SUMMARY

The U.S. Department of Housing and Urban Development (HUD) retained Applied Real Estate Analysis (AREA), Inc., to evaluate its Youthbuild program—a 10-year-old program that focuses on at-risk youth and attempts to develop their work and life skills through education and training in housing construction activity. The major objectives of AREA’s examination were (1) to describe the national HUD Youthbuild program in terms of funding, numbers of programs, and activities; (2) to identify its overall accomplishments, such as the characteristics and number of youth assisted; (3) to illustrate the extent to which the program promotes employability and economic self reliance among participants; (4) to provide some evidence for assessing the program’s cost effectiveness; and (5) to compare the program with other youth employment training programs.

BACKGROUND AND HISTORY OF THE PROGRAM

The HUD Youthbuild program was authorized in 1992 under the Housing and Community Development Act (HCDA) of 1992. It was based on the example of a privately funded project originating in New York in which youth who had dropped out of school participated in a program of personal and community development that taught leadership and public-speaking skills, helped the youth to earn their General Educational Development (GED), and provided both formal and informal counseling. While in this program, participants also developed job skills through projects to renovate abandoned buildings in their neighborhoods. A demonstration program in the early 1990s proved that the program could be replicated nationally. Since then, a national network of Youthbuild programs has evolved, incorporating the same elements as the New York model. HUD administers this network and provides funding, through an annual competitive grant application process, to local organizations who implement the Youthbuild program.

HUD also funds public or private nonprofit agencies that are qualified to provide technical assistance to the Youthbuild grantees. Youthbuild USA has received the bulk of this funding—approximately $18.5 million—over the course of the HUD Youthbuild program. The organization provides training, develops materials and handbooks, conducts peer-to-peer seminars, disseminates materials on best practices, and collects and reports data in support of the HUD program.

Program Objectives
Although individual HUD Youthbuild programs vary dramatically in location, program size, organizational type, and implementation strategies, they share a common mission and must all meet basic HUD requirements. The purposes of the program as stated in the authorizing legislation are as follows:

(1) to expand the supply of permanent affordable housing for homeless individuals and members of low- and very-low income families by utilizing the energies and talents of economically disadvantaged young adults;
(2) to provide economically disadvantaged young adults with opportunities for meaningful work and service to their communities in helping to meet the housing need of homeless individuals and members of low- and very-low income families;
(3) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency; and
(4) to foster the development of leadership skills and commitment to community development among young adults in low-income communities.¹

Program Participants

Eligible participants are youth between the ages of 16 and 24 who are very-low-income individuals or members of very-low-income households,² and who demonstrate an educational need—either by virtue of being high school dropouts or by justifying their need for inclusion in the program. The number of high school graduates and youth whose household incomes are above the income limit cannot exceed 25% of all full-time participants in a Youthbuild program at any one time. According to Title 24 of the Code of Federal Regulations (24CFR), which established the HUD Youthbuild program, full-time participation is defined as not less than six months and not more than 24 months. While this definition determines the overall length of time that a youth must participate in the program to be considered a completer, it does not establish time commitments on a daily, weekly, or monthly basis. Nor do the Youthbuild regulations specify the point at which a youth becomes a full-time participant after enrolling in the program.

Program graduates are “those participants who have completed the full-time education/on-site training components of a Youthbuild program and who are eligible to take advantage of meaningful opportunities in continued education, in owning their own businesses, in meaningful employment or in other means by which the participant can attain economic self-sufficiency.”³

Youthbuild Grantees/Program Components

¹ The National Affordable Housing Act (42 U.S.C. 12899) (“NAHA”) [61 FR 52187, October 4, 1996], Section 451.
² “Very-low-income” is defined by Section 457 of the NAHA as income that does not exceed 50% of the median family income for the area as determined by HUD, with adjustments for smaller and larger families.
An applicant eligible for HUD Youthbuild funds can be a public or private nonprofit organization, a state or local housing agency or authority, or any unit of government that is eligible to provide education and employment training. The Federal Regulation (24CFR) states that grant recipients must simultaneously provide economically disadvantaged youth with the following three types of assistance:

### Hands-On Construction Training. A key component of the HUD Youthbuild Program is on-site training experiences in housing construction and/or rehabilitation.

### Educational Experiences. Youthbuild programs must offer participants educational opportunities, such as basic skills instruction and remedial education, bilingual education, secondary education leading to the attainment of a high school diploma or its equivalent, and counseling and assistance in attaining post-secondary education and required financial aid.

### Leadership Training, Counseling, and Other Support Activities. Programs must offer training that enables youth to develop leadership skills and prepare them to serve their communities. Grant recipients must also provide underlying support services that will reinforce participants' chances of success, such as:

- Counseling services to assist trainees in personal, health, housing, childcare, family, or legal problems and/or referral services to appropriate social service resources.
- Support services and stipends to enable participants to take part in the program full time.
- Job development and placement activities, including post-graduate follow-up assistance.

These services may be offered to participants for up to 12 months after completion of training.

In addition to the required components, local programs may also offer a variety of other activities, such as entrepreneurial training and courses in small business development, assistance to correct learning disabilities, and drivers' education courses.

Youthbuild programs must be structured so that 50% of each full-time participant’s time is devoted to hands-on construction activities and 50% to other program components—including educational activities, leadership training and counseling, and all other program activities.²

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² Code of Federal Regulations, Title 24–Housing and Urban Development, Chapter V–Office of Assistant Secretary for Community Planning and Development, Department of Housing and
Although the HUD Youthbuild program regulations establish guidelines for program components, they do not identify clear indicators to be used in measuring performance, as do some other youth employment training programs. For example, regulations establishing Job Corps—another federally funded training program for disadvantaged youth—require the establishment of specific indicators of performance, such as the number of former enrollees who enter unsubsidized employment related to the vocational training received through Job Corps.

**Housing Component**

Local HUD Youthbuild programs that use part of their grant funds to cover housing acquisition, architectural and engineering, or rehabilitation costs must comply with Youthbuild project-related restrictions. For example, owner-occupied, rental, and transitional housing produced by the Youthbuild program must be occupied by low- and very-low-income individuals and members of families.\(^5\) Local grantees must also:

- **Show how the proposed housing addresses objectives of the community’s Consolidated Plan**
- **Demonstrate to HUD that housing projects do not exceed any environmental thresholds established by the National Environmental Policy Act (NEPA)**\(^6\)

**Program Costs and Funding**

Allowable costs for the HUD Youthbuild program fall into two major categories: (1) training-related costs or other costs; and (2) costs associated with property acquisition, rehabilitation, or new construction. According to 24CFR, the following items are eligible:

- **Training-related costs or other costs**
  - Trainees’ tools
  - Participant stipends and wages

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\(^5\) According to 24CFR, Sections 585.309 to 585.311, rental or for-sale housing produced through the use of Youthbuild funds must be restricted for at least 10 years to occupancy by low- and very-low-income families. During that time, at least 90% of the housing must be occupied by individuals and families whose incomes—at the time of entry—are less than 60% of the area median income adjusted for family size. The remaining 10% of the units must be occupied by low-income families whose incomes do not exceed 80% of the area median income. Transitional housing funded by Youthbuild grants must adhere to standards regarding service delivery, housing standards, and rent limitations applicable to comparable housing funded by Title IV of the Stewart B. McKinney Homeless Assistance Act.

\(^6\) 24CFR Section 585.307–Environmental Procedures and Standards.
— On-site trainee supervisors
— Construction management
— Relocation costs
— Legal fees
— Clearance and demolition

# Construction-related costs
— Acquisition of housing and related facilities
— Architectural and engineering work required for Youthbuild housing projects
— Construction of housing
— Rehabilitation of housing
— Operating expenses and replacement reserves for housing

Unless an exception is granted by HUD, not more than 15% of the total amount of Youthbuild program and project funding may be used for administrative costs. However, the Federal Regulation 24CFR\(^7\) does not specifically define acceptable administrative costs.

**Funding History.** Based on announcements in the *Federal Register*, Congress has appropriated a total of $375.5 million for the Youthbuild program since its inception in 1993—an average of $40 million per year. The initial appropriation of $40 million in 1993 included funds for planning grants\(^8\) as well as program implementation. After planning grants were discontinued in 1996, the annual appropriation declined to $20 million. But, as shown in Exhibit I-1, the size of the annual appropriation has increased fairly steadily since 1996, reaching $65 million in 2002.

A substantial percentage of the funding is directed to Youthbuild program implementation. Between 1993 and 2002, 87% to 98% of annual appropriated funds was awarded directly to Youthbuild programs. The remainder of the congressional allocation is spent on technical assistance. According to Section 458 of the HCDA of 1992, HUD must reserve 5% of the amount available for the Youthbuild program each year to provide this assistance. A large portion of the technical assistance funds supports a congressionally mandated capacity-building grant earmarked for Youthbuild USA. As noted previously, this organization has received approximately $18.5 million over the course of the HUD Youthbuild program. HUD awards a separate set of technical assistance contracts annually on a competitive basis.

During the 1996–2002 period, 521 grants were awarded to 253 different

\(^7\) Code of Federal Regulations, Title 24–Housing and Urban Development, Chapter V–Office of Assistant Secretary for Community Planning and Development, Department of Housing and Urban Development, Part 585–Youthbuild Program, Section 585.305–Eligible Activities.

\(^8\) Planning grants were awarded for the purpose of researching and determining the feasibility of, and need for, a Youthbuild program in a selected location.
Youthbuild program grantees, of which just over half (130) were awarded more than one grant. The largest number of grants were awarded during the program’s first year, when 136 local programs were funded. HUD awarded funds to only 29 programs in 1996, but increased the number of awards through 2001, when 115 programs were funded (see Exhibit I-2).

* A new category of grants for Individual Development Accounts was awarded in 2002. Eight awards were given in this category, but are not included in this matrix.

*1994 awards were combined with 1995 awards.
Approximately 72% of the organizations receiving HUD Youthbuild grants between 1996 and 2002 were nonprofit community- and faith-based organizations that focused on housing development, community development, or supportive services. From 1996 to 1998, no Youthbuild funds were awarded to faith-based organizations or to organizations with partners that were clearly faith-based. However, funding to these groups resumed in 1999 and has grown steadily. In 2002, awards to faith-based organizations and organizations with faith-based partners reached 12% of all grants awarded and 17% of grants awarded to nonprofit organizations.

Government institutions—such as public housing authorities, cities, and counties—account for 21% of the grantees during the 1996-2002 period. Educational institutions comprise the smallest organizational type at 7%.

The funding limits on grant amounts has varied through the life of the program—as has the length of time in which the funds were to be expended. Also, lower funding limits with shorter timelines were instituted in 1998 for applicants new to the Youthbuild grant application process. In 2001, a category for rural and underserved areas\(^9\) was added to encourage more applications from these communities. The 2002 Notice of Funding Availability for a HUD Youthbuild grant limited applicants to a grant request of $700,000, to be expended within 30 months of the effective date of the grant agreement. However, a new feature of the program included a $2 million allocation to help participants establish individual development accounts—matched savings accounts designed to help low- and very-low-income families accumulate savings for education, job training, home ownership, or small business or micro-enterprise development.

Exhibit I-3 provides a table showing, by year, the different funding caps for each category of grant application and the time frames for disbursing the funds.

**Program Administration**

To facilitate program administration and potential program audits, each grant recipient must maintain records that include the following:

- Documentation of each expenditure of Youthbuild funds and of all funds obtained in connection with the Youthbuild program, such as housing or property sales.

- The total cost of all components of the Youthbuild program—educational, training, counseling, placement, housing activities, and other services—for all sources of funding.

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\(^9\) Rural areas are defined in five ways, including “places having fewer than 2,500 inhabitants.” The 2001 Notice of Funding Availability defines underserved areas as those census tracts where unemployment remains high (50% or more above the nation’s unemployment rate) and tracts where high rates of poverty (50% or more above the national average) persist.
The amount and nature of assistance received in addition to Youthbuild grants, including cash, property, services, materials, in-kind contributions, and other items.

Information about participants, including age, high school drop-out status, income level, gender, employment status, and racial and ethnic characteristics.

Housing documentation, including (1) Youthbuild grant funds used for acquisition, architectural and engineering fees, construction, rehabilitation, operating costs, or replacement reserves for housing; (2) records on housing recipients, such as family size, income, and racial and ethnic characteristics of families renting or purchasing the dwellings; and (3) compliance with Relocation Assistance and Real Property Acquisition requirements.

Some but not all of the information maintained by Youthbuild grant recipients must be reported to HUD. Initially the program required that grantees submit Quarterly Progress Reports and a final Performance Evaluation Report to the HUD Headquarters Office. By 1996, the requirement had been reduced to Semi-Annual Progress Reports and the final Performance Evaluation Report (both reports are discussed in greater detail in Chapter III, Delivery of the Youthbuild Program). After 1999, all reports were to be sent to HUD field offices rather than Headquarters for monitoring and review.

Additional forms that must be maintained by grantees on site (though they do not need to be submitted to HUD) include the Housing Property Worksheet, Housing Resident Worksheet, and Participant Tracking Worksheet. The Housing Property Worksheet serves as a register of all the housing units completed by Youthbuild participants. The Housing Resident Worksheet is a detailed list of the tenants or homeowners who reside in the Youthbuild housing units. The Participant Tracking Worksheet is used to keep a general record of Youthbuild participants’ history and progress.
### Exhibit I-3.
**Funding Caps and Time Limits for Youthbuild Program by Year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Grant Amount Allowed by Category</th>
<th>Maximum Time Period Allotted to Expend Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>$700,000</td>
<td>None</td>
</tr>
<tr>
<td>1997</td>
<td>$700,000</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>$350,000 for new applicants</td>
<td>18 months, with a max. of 20 students</td>
</tr>
<tr>
<td></td>
<td>$700,000 for former applicants*</td>
<td>30 months</td>
</tr>
<tr>
<td>1998</td>
<td>$450,000 for former applicants*</td>
<td>24 months</td>
</tr>
<tr>
<td></td>
<td>$300,000 for new applicants</td>
<td>18 months, with a max. of 20 students</td>
</tr>
<tr>
<td></td>
<td>$700,000 for former applicants*</td>
<td>30 months</td>
</tr>
<tr>
<td>1999</td>
<td>$400,000 for former applicants*</td>
<td>24 months</td>
</tr>
<tr>
<td></td>
<td>$300,000 for new applicants</td>
<td>18 months</td>
</tr>
<tr>
<td></td>
<td>$700,000 for former applicants*</td>
<td>30 months</td>
</tr>
<tr>
<td>2000</td>
<td>$400,000 for former applicants*</td>
<td>24 months</td>
</tr>
<tr>
<td></td>
<td>$400,000 for new applicants</td>
<td>36 months</td>
</tr>
<tr>
<td></td>
<td>$500,000 for former applicants*</td>
<td>36 months</td>
</tr>
<tr>
<td>2001</td>
<td>$400,000 for underserved and rural communities</td>
<td>36 months</td>
</tr>
<tr>
<td></td>
<td>$400,000 for new applicants</td>
<td>30 months</td>
</tr>
<tr>
<td></td>
<td>$700,000 for former applicants*</td>
<td>30 months</td>
</tr>
<tr>
<td></td>
<td>$400,000 for underserved and rural communities</td>
<td>30 months</td>
</tr>
<tr>
<td>2002</td>
<td>$200,000 for Individual Development Accounts</td>
<td>30 months</td>
</tr>
</tbody>
</table>

* Regardless of whether or not applicant received an award.

Source: HUD Notice of Funding Availability, 1996-2002
COMPONENTS OF THE RESEARCH DESIGN

The research summarized in this report was designed to:

# Describe the HUD Youthbuild program’s funding, its activities, and the characteristics of its grantees and youth participants.

# Describe the program’s accomplishments in terms of numbers and percentages of youth who have achieved specific milestones, numbers of housing units built and/or rehabilitated, and characteristics of the housing residents.

# Bring some evidence to bear on the issue of the cost effectiveness of the Youthbuild program, relative to its accomplishments.

# Examine the extent to which the program supports employability and economic self reliance among program participants.

To better understand the results of this analysis, we also compared the program’s accomplishments with those of other youth employment training programs. The focus of the comparative analysis was on HUD Youthbuild programs initially receiving grants from 1996 through 1999. Because the realities of implementing HUD programs at the local level invariably beget unanticipated issues, ongoing program evaluations are crucial to providing the feedback that will enable HUD administrators to maintain the programs’ effectiveness and ensure that the federal grants are generating the desired outcomes.

Appendix A provides a discussion of the research methodology used to evaluate the HUD Youthbuild program. Key components of the research are described briefly below.

# **Literature Review.** We reviewed literature on the Youthbuild Program and other youth work-force development programs. The major purpose of this review was (1) to identify measures used successfully in the recent past to examine other youth work-force development programs and (2) to refine the measures and data collection procedures proposed for the Youthbuild research. The literature review also obtained information on the characteristics, objectives, clientele served, and achievements of other youth training and employment programs that were useful in assessing the effectiveness of the Youthbuild program.

# **Examination of Records Available at HUD Headquarters.** AREA staff also examined reports filed at HUD Headquarters by Youthbuild grantees from 1996 to 1999. The purpose of this review was to probe the overall scope of the HUD Youthbuild Program, its funding, grantee
characteristics, youth participants’ characteristics, neighborhoods and households served, and activities undertaken. Three types of documents were examined: applications for federal assistance; Semi-Annual Progress Reports, submitted in January and July of each calendar year; and final Performance Evaluation Reports, submitted at the end of each grant period.

Site Visits. Site visits were absolutely necessary because we needed to document and assess the costs and outcomes of the Youthbuild program, and much critical information on these factors—especially on participant outcomes—was not available through other sources. The information was therefore gathered on site from 20 Youthbuild grantees. During the site visits, AREA staff members examined program files and conducted discussions with key program administrators, staff, and some program participants. In addition to providing insights into the day-to-day operation of the program, the site visits enabled us to collect program status reports and other documents that are not included in HUD’s Headquarters’ files and to double-check information that was unclear or incomplete in filed reports.

Site Selection Criteria. Using data collected from our review of Headquarters’ files, we began our selection process by identifying approximately 50 programs that met two criteria: they had received funding during the 1996-1999 period and also had grants that were currently open—i.e., they had been funded again in 2000 and 2001. We focused on the 1996-1999 time period to ensure that the projects we examined would have completed grants and, therefore, completed outcomes and expenditures. Our reason for also requiring a currently open grant was related to the fact that many Youthbuild grant recipients are very small organizations with few staff members—we wanted to be sure that staff who were familiar with the program would be available at the time of our field visit. Although this selection criterion was necessary to ensure efficient and effective on-site data collection, it may have biased our sample somewhat—in favor of successful programs. By selecting only Youthbuild programs that were funded from 1996 to 1999 and again in 2000 or 2001, we eliminated grantees who performed so poorly that they could not get a subsequent grant.10 Ultimately, only closed grants from 1998 and 1999 met these two criteria.

To ensure that the site-visit locations were representative of all HUD Youthbuild programs active during the study period, we selected programs in each of the program-size categories—$350,00 or less, $350,001 to $550,000, and $550,001 to $750,000. Some programs were counted twice because they received grants in more than one award year between

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10 We also eliminated grantees who did not respond to our requests for a visit to their program.
1996 and 1999. To identify the effects of regional differences in program design and/or operation, our sample reflected nationwide distribution within the universe of Youthbuild program locations. We also selected 17 programs in urban locations and three programs in rural areas. Because HUD has specific funding award criteria to encourage programs in rural areas, we wanted to be sure to include some programs in this category.

In addition to these key selection criteria, we included programs with a variety of other characteristics. We selected both programs that had proposed to build new houses (12 programs) and those that planned to rehabilitate existing units (eight programs). The site-visit locations are operated by various types of organizations, including 14 that are run by nonprofit groups, four operated by government agencies, and two operated by academic institutions. We also examined the number of units that each site proposed to construct: our final selection included 15 sites that proposed to complete less than nine units, three that proposed 10 to 30 units, and two that proposed more than 30 units.

Application of the foregoing criteria resulted in the selection of 20 sites for in-depth analysis. Exhibit I-4 provides a list of the HUD Youthbuild programs where we conducted field research and Exhibit I-5 shows the geographic location of each program.

While the sites were selected to be broadly representative of the program—and we have no reason to believe they are not representative—the 20 sites are not a statistical sample. It is possible that these sites fail to represent the overall Youthbuild program in some respects.

**Organization of This Report**

Subsequent chapters of this report present the findings from this research. Chapter II describes the overall characteristics of the HUD Youthbuild program, such as the types of grantees, program participants, and housing units delivered. Chapter III describes key components of the program and how its day-to-day implementation varies from site to site. Chapter IV discusses program outcomes and the challenges affecting program delivery. The final chapter compares the HUD Youthbuild program with other youth employment training programs and presents our major findings and conclusions regarding the Youthbuild program’s effectiveness.
<table>
<thead>
<tr>
<th>No.</th>
<th>Organization Name</th>
<th>City/Township</th>
<th>State</th>
<th>Grant Amount</th>
<th>Award Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobile Housing Board</td>
<td>Mobile</td>
<td>AL</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>2</td>
<td>Mid-South Community College</td>
<td>West Memphis</td>
<td>AR</td>
<td>$350,000</td>
<td>1999</td>
</tr>
<tr>
<td>3</td>
<td>Town of Guadalupe</td>
<td>Guadalupe</td>
<td>AZ</td>
<td>$399,950</td>
<td>1999</td>
</tr>
<tr>
<td>4</td>
<td>Century Center For Economic Opportunity</td>
<td>Gardena</td>
<td>CA</td>
<td>$650,000</td>
<td>1999</td>
</tr>
<tr>
<td>5</td>
<td>Southern Ute Community</td>
<td>Ignacio</td>
<td>CO</td>
<td>$336,285</td>
<td>1999</td>
</tr>
<tr>
<td>6</td>
<td>Sasha Bruce Youthwork</td>
<td>Washington</td>
<td>DC</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>7</td>
<td>YWCA of Greater Miami and Dade County</td>
<td>Miami</td>
<td>FL</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>8</td>
<td>Tree of Life Community Development Corp. *</td>
<td>Gary</td>
<td>IN</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>9</td>
<td>Nueva Esperanza, Inc. *</td>
<td>Holyoke</td>
<td>MA</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>10</td>
<td>Neighborhood Info. &amp; Sharing Exchange</td>
<td>Benton Harbor</td>
<td>MI</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>11</td>
<td>Bi-County Community Action Program</td>
<td>Bemidji</td>
<td>MN</td>
<td>$699,998</td>
<td>1998</td>
</tr>
<tr>
<td>12</td>
<td>Housing Authority of St. Louis</td>
<td>Saint Louis</td>
<td>MO</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>13</td>
<td>University of North Carolina-Greensboro</td>
<td>High Point</td>
<td>NC</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>14</td>
<td>Lincoln Action Program</td>
<td>Lincoln</td>
<td>NE</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>15</td>
<td>Taos County</td>
<td>Taos</td>
<td>NM</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>16</td>
<td>YMCA of Greater New York</td>
<td>New York</td>
<td>NY</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>17</td>
<td>Urban League of Rochester, NY, Inc.</td>
<td>Rochester</td>
<td>NY</td>
<td>$350,000</td>
<td>1999</td>
</tr>
<tr>
<td>18</td>
<td>Impact Services Corporation</td>
<td>Philadelphia</td>
<td>PA</td>
<td>$399,085</td>
<td>1999</td>
</tr>
<tr>
<td>19</td>
<td>Gulf Coast Trades Center</td>
<td>New Waverly</td>
<td>TX</td>
<td>$448,690</td>
<td>1998</td>
</tr>
<tr>
<td>20</td>
<td>Southern Appalachian Leadership School</td>
<td>Kincaid</td>
<td>WV</td>
<td>$650,000</td>
<td>1999</td>
</tr>
</tbody>
</table>

* Denotes a reconnaissance site
Exhibit I-5. YOUTHBUILD SITE VISIT LOCATIONS
The overall scope of HUD’s Youthbuild program can be grasped in terms of the diverse types of organizations chosen to implement the program, the range in grant amounts, and the proposed magnitude of the various programs, in terms of the numbers of participants to be served and housing units to be constructed or rehabilitated. To introduce this overview we discuss key terms and how they are used in measuring outcomes.

DEFINITIONS OF PROGRAM PARTICIPANTS AND COMPLETERS

In describing and measuring Youthbuild outcomes, we must first understand the problems involved in defining two of the program’s most basic terms: participant and completer (also referred to as “graduate” in the source data). HUD’s program requirements state, somewhat ambiguously, that “any eligible individual selected for full-time participation in a Youthbuild program may be offered full-time participation for a period of not less than six months and not more than 24 months.” This definition provides a minimum time period for completion of the program—six months—but does not indicate at what specific point a youth becomes a participant after enrolling in a program. Thus, Youthbuild programs have applied a wide range of definitions for the term “participant.” Among the sites visited, one took participant to mean any youth who expressed interest in the program and completed some of its intake forms. At the other extreme, a participant was defined as a youth who passed a rigorous orientation session and maintained a perfect on-time attendance for four to six weeks.¹

HUD does provide guidelines for determining eligibility. Normally, a person must meet all three of the following criteria: (1) be between the ages of 16 and 24 at the time of enrollment, (2) be a very-low-income individual or a member of a very-low-income family, and (3) have dropped out of high school. Up to 25% of participants may be above very-low-income, or may be high school graduates (or equivalent), but these exceptions must have significant educational needs (such as lack of reading, writing, and communication skills) that justify their participation in the program.

To “graduate” from Youthbuild a participant must complete the full-time education and training components of the program and be judged ready for “meaningful” opportunities in continuing education, employment or business ownership, or other means of attaining economic self-sufficiency. Youthbuild USA is similarly

¹ Youthbuild USA affiliates used the technical assistance provider’s definition, which included “any student who passes through the first month of the program, including orientation.”
vague, defining completer as “any student who has successfully completed the entire program or who is deliberately placed into an appropriate job or school.”

Many grantees, seeking a more concrete definition of completer, count only those participants who meet a predetermined number of hours and level of achievement in both their academic work and their construction training and on-site work. In addition, most Youthbuild programs have community service requirements, measured in hours spent on community service activities, that must be met prior to completion. Information gathered from site visits indicates that while a program completer could take as little as six months and as long as two years to complete a program, most program cycles last eight to 12 months.


Exhibit II-1 below summarizes the types of Youthbuild programs that were awarded HUD funds between 1996 and 2002. Most of the organizations (60%) were awarded between $350,000 and $550,000 to carry out their Youthbuild program. Approximately one-quarter of all grantees received less than $350,000, while the remaining 15% received between $550,000 and $700,000.

Almost three-quarters (72%) of the Youthbuild programs were operated by nonprofit organizations. A much smaller share (21%) were implemented by government agencies and only 7% of Youthbuild grantees were educational institutions.

In terms of number of participants proposed, the average number of proposed enrollees was 35 and the median was 30. The discrepancy between mean and median was much larger for the number of housing units proposed because a handful of grantees proposed a large number of housing units. The mean was 19 units and median was 4 units per grantee.

Proposed Number of Participants

Based on HUD press releases that summarize information submitted in funding applications, the grantees, altogether, proposed to enroll more than 18,000 youth through the use of funds awarded between 1996 and 2002.\(^2\) The total number of youth proposed to be enrolled increased in each of these years—from 1,227 in 1996 to 3,704 in 2002. During this period, the number of grants awarded each year increased but the mean and median award amounts decreased. Thus, the average number of participants that grantees proposed to enroll actually declined—from 42 in 1996 to 35 in 2002.

\(^2\) The press releases did not provide figures on proposed number of completers.
Exhibit II-1.
Characteristics of Youthbuild Grants, 1996-2002

<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Grants</td>
</tr>
</tbody>
</table>

Grant Amount
- < $350,000 | 25% |
- $350,000-$550,000 | 60% |
- $550,000-$700,000 | 15% |

Organizational Type
- Nonprofit | 72% |
- Government Agency | 21% |
- Educational Institution | 7% |

Number of Participants Proposed | 18,167 |
- Mean Participants | 35 |
- Median Participants | 30 |

Number of Housing Units | 8,692 |
- Mean Housing Units | 19 |
- Median Housing Units | 4 |

Based on total annual HUD Youthbuild funds awarded and the proposed total number of participants, the overall average cost of enrolling each youth ranged from a high of approximately $15,900 in 1996 to $13,100 in 2001 (see Exhibit II-2). Operating funds obtained from sources other than HUD Youthbuild grants are not factored into these estimates.

**Proposed Housing Production**

As mentioned earlier, one of the primary objectives of Youthbuild is to increase the supply of permanent affordable housing. In the press releases mentioned above, grantees who were awarded funds between 1996 and 2002 proposed to deliver more than 8,100 housing units. The total proposed number of housing units to be built or rehabilitated has varied from year to year. As shown in Exhibit II-3, only 422 housing units were proposed in applications submitted for 1996
funds, while 1,779 units were proposed in 1998. In the latter year, one Youthbuild grantee—the New York City Housing Authority—accounted for 80% of the proposed housing units to be completed. The other 66 grant recipients proposed an average of only five units each. Thus the average numbers of housing units proposed by grantees (which ranged from 36 in 1997 to eight in 2001) were distorted by those few grantees that proposed to complete large numbers of dwelling units. In contrast, the median number of units proposed was not higher than seven in any given program year between 1996 and 2002.

As indicated by the median, and as shown in Exhibit II-4, the vast majority of Youthbuild programs proposed constructing or rehabilitating between one and five units of housing. Our field research indicated that, in general, those programs that proposed fewer units tended to complete most if not all of the work required in the production and/or rehabilitation of the units. Conversely, the Youthbuild programs proposing a larger number of housing units generally completed a smaller portion (and in some cases, the same type) of the work in each unit. Thus, the number of housing units proposed is not an indicator of how much construction work will actually be performed by a particular Youthbuild program, or of the range in type of work. In fact, it may be the case that grantees proposing a smaller number of housing units provide a broader range of work—and perhaps more work overall—than grantees proposing a large number of units.

![Exhibit II-2. Cost Per Proposed Participant, 1996 - 2002](image)
*NYC Housing Authority accounted for 1,523 (80%) of total proposed housing units.
CHAPTER III
DELIVERY OF THE HUD YOUTHBUILD PROGRAM

In this chapter, the 20 Youthbuild programs at which AREA conducted on-site visits are examined in detail. We describe the various types of organizations represented and discuss how each program’s focus is influenced by the organization’s original objectives. Although the programs’ outcomes in terms of academic achievement and employment in construction are largely unaffected by organization type, we find that organizations whose focus is housing production tend to have a wider variety of housing products on which training can be provided.

Included is a section on partnerships, which we found to be a necessary component of a successful Youthbuild program despite the many problems that arise in these relationships. Only rarely can a Youthbuild grantee single-handedly provide the broad range of services and training required to ensure the success of an at-risk youth population.

This chapter also covers the day-to-day implementation of Youthbuild, describing functions such as recruitment and selection, academic assessment, academic and vocational training, social services delivery, community service and leadership training, and job placement and follow-up. Some administrative aspects of the program, such as contract length and program budget, are included in this section as well. Also discussed are the types of housing produced and neighborhoods affected by the affordable housing provided by Youthbuild.

SITE VISIT LOCATIONS

As mentioned earlier, 20 sites were selected for in-depth examination. Most (85%) were located in urban areas, and 15% operated in rural areas. Among the organizations implementing these Youthbuild programs, 70% are nonprofit groups, 20% are government agencies, and 10% are educational institutions (see Exhibit III-1).

ORGANIZATIONAL TYPES AND PROGRAM MODELS

Of the 20 Youthbuild programs visited, 14 were operated by nonprofit organizations. Most of these organizations focus on providing social services such as childcare, health care, and job training for low- and moderate-income households and helping them connect with other supportive services. A small group of these nonprofit agencies concentrate on the development and
management of affordable housing, both for rent and for sale, and a still smaller number develop and maintain single-room-occupancy housing units. One grantee is a faith-based organization that offers social services and, to a lesser degree, also develops and manages affordable housing units.

Exhibit III-1.
Characteristics of Site Visit Locations

<table>
<thead>
<tr>
<th>Location</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>85%</td>
</tr>
<tr>
<td>Rural</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Organization Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonprofit Organization</td>
<td>70%</td>
</tr>
<tr>
<td>Government Agency</td>
<td>20%</td>
</tr>
<tr>
<td>Educational Institution</td>
<td>10%</td>
</tr>
</tbody>
</table>

Four of the programs we visited were administered by government agencies. Two were public housing authorities, which not only recruited Youthbuild participants from their own resident pools but also used units in their housing stock for construction training. The other two government bodies were a rural county and a township; in both cases, Youthbuild was operated out of the community development division. Two of the sites were institutions of higher learning—a community college and a large university. Both placed their Youthbuild program emphasis on education as opposed to housing production or support services.

Despite the individual strengths and experience that these organizations brought to their Youthbuild programs, we did not observe any connection between organizational type and the success in the organization’s area of focus. The university and community college were no more successful at helping their participants obtain GEDs than an organization whose primary activity was housing production. And a social-service-oriented grantee was just as successful as the learning institutions when it came to placing students in jobs. It is true that a housing producer was able to provide its Youthbuild participants with a wider range of housing products for training than organizations whose housing work was carried out through partnerships, or those who were rehabilitating units under their management. However, in terms of helping participants pursue further training or employment in construction, no one type of organization was any more successful than another.
Several organizations had experienced, or were experiencing, a tremendous amount of transition in terms of staff turnover and program administration. Staff turnover is common at the start of many programs, and can be an ongoing problem for many organizations. The challenge of working with at-risk youth in economically challenging environments, often at less than competitive wages, tends to discourage even individuals with a high commitment to social service. Furthermore, because most programs rely on HUD Youthbuild funds for a substantial portion of their operating budget, they must reapply every year, and staff are notified on an annual basis whether or not they will continue to be employed. In at least two of the 20 grantee organizations, all but one of the entire staff had to be replaced within a grant period.

<table>
<thead>
<tr>
<th>Housing Developer as Youthbuild Grantee</th>
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<tr>
<td>One of the Youthbuild grantees in the study is a nonprofit organization whose main mission is housing development for low-income households. It owns and manages hundreds of affordable apartments, and develops affordable homes for sale. The organization’s secondary objectives are promoting economic development through micro-enterprises and providing limited support services for the prevention of domestic abuse, gang- and drug-related violence, and drug/alcohol abuse.</td>
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<tr>
<td>At first, the Youthbuild program was centered around housing construction, since this was the focus of the sponsoring organization. Over time, however, the staff (namely the program director, who was heavily involved in the vocational training) recognized the need for greater emphasis on other aspects of the students’ development. Many needed help overcoming problems with drug and alcohol abuse and homelessness. Also, many lacked basic life skills, such as understanding the importance of arriving on time, overcoming tendencies toward aggressive behavior, communicating effectively, and learning how to manage finances. The program reorganized its priorities, which in this case meant hiring staff rather than contracting out for services. It dedicated more time to life skills training, leadership instruction, and job skills development, and worked to integrate these components into other aspects of the Youthbuild program.</td>
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<tr>
<th>Faith-based Organization Oriented to Support Services</th>
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<td>The group began developing affordable housing in partnership with a developer in the late 1990s. Around the same time, before receiving any Youthbuild funding, it established a youth construction training program, relying on a network of churches to help raise funds and other private contributions. About 30% to 40% of the costs was covered by in-kind contributions such as services and meeting space. Funds were contributed by the city, a foundation, and a nonprofit organization. Gap funds (about 5%) were raised by providing construction services for a fee.</td>
</tr>
<tr>
<td>As a Youthbuild program, the organization was able to provide a solid base of support services, but it often found itself in disagreements with its housing partner and its subcontractors. It was difficult to control the timing of students’ on-site availability and to determine what tasks they would perform on a daily basis. This coordination problem interfered not only with the on-site training, but with the vocational classroom instruction as well. The grantee determined that the best course of action was to become the actual developer. They achieved this by purchasing two sites: a community center and an apartment building to be rehabilitated by Youthbuild participants and occupied by low-income families.</td>
</tr>
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</table>
A faith-based nonprofit community development and social service organization was awarded HUD income households and, perhaps, by some of its participants.

Yet, once a workable team is assembled, most other aspects of the program become more manageable, as was evidenced by the grantees that had been in operation for multiple years with the same key staff members. In fact, many grantees stated that of all the program components, a stable and talented staff team is the most important to a Youthbuild program’s success.

Change in the administration of the program is another challenge that some grantees faced in implementing their program. One site, after successfully operating a program for two consecutive years, was asked to take on the award and the responsibilities of another site’s Youthbuild program. This created some upheaval in both programs. Another case involved the departure of a charismatic staff person who had been the program’s long-term visionary as well as being involved in the day-to-day operations. The individual’s departure caused turmoil among staff and students alike.

**PROGRAM PARTNERS**

The Youthbuild NOFAs do not specify that successful applicants must have program partners. However, 15 out of 102 points are awarded for evidence of the “capacity of the applicant and relevant organizational experience”—in other words, proof that the organization and its partners are capable of implementing its proposal, and that they have past experience in performing the functions they propose. Except for the handful of original Youthbuild organizations, and perhaps some of those that are repeat Youthbuild grant winners, very few organizations have within their own ranks the mix of skills and experience necessary to provide all of the various components of Youthbuild—construction training, academic instruction, housing production, supportive services, leadership training, basic jobs skills training, etc.

Thus, more than three-quarters of the Youthbuild programs claimed to have partnerships when making their applications; these partnerships ranged in terms of service focus—academic training, vocational training, housing construction projects, and supportive services—and many did not materialize as proposed. In at least four cases, the partnership involved a fee for service, and when the funds were not readily available from year to year, the partnership dissolved. Seven of the programs had proposed partners who did not meet the standards established by the Youthbuild grantee, did not provide the services as agreed upon, or simply failed to deliver the services altogether. In at least three cases, partners failed to obtain the necessary funds to carry out their operations and, thus, could not fulfill their portion of the partnership. Seven grantees were forced to either forge new partnerships with other providers or hire a staff person who could deliver the services in-house. At least three programs did both.
Many Youthbuild sites pursued partnerships with a local affiliate of Habitat for Humanity International. At least half of the sites we visited had either a former or a current relationship with a Habitat affiliate. On paper, this partnership appeared ideal: Habitat supplied the land, construction materials, and tools, while the Youthbuild participants were a readily available and eager supply of workers who would be on the site during the work week, complementing the weekend schedule of most Habitat volunteers.
**Dedicated Youthbuild Staff**

Brenda is a Youthbuild staff person who stands out as an exceptional example of a committed individual who has dedicated a tremendous amount of time and energy to meet the needs of her students. An academic background in Sociology and Human Services helped her understand participants intellectually, but it was her upbringing in a culturally diverse community with a high crime rate and extremely high dropout rate that helped her to empathize with “her kids.” As a teenager, Brenda had dropped out of high school on three occasions, and she subsequently got her GED while attending a technical vocational school. Later, Brenda became familiar with home construction by volunteering with Habitat for Humanity and joined Youthbuild as a construction site supervisor in April 2000, while she was attending college.

The grantee is a nonprofit agency that administers a variety of community programs serving a primarily Native American population. The organization provides all of the administrative support for the Youthbuild program. Brenda, who came on board during the beginning of the program’s first cycle, saw that it was impossible for the program to ensure a common vision among its educational and vocational training partners and felt it would be beneficial to bring everything under one roof—literally. With the commencement of the current cycle, this site’s offices, classrooms, and workshop area now occupy space in an industrial building also occupied by Habitat for Humanity. Youthbuild-hired staff now provide all educational and vocational instruction and training.

Brenda has largely assumed the counseling responsibilities for the program, though she has no training in this field. She has appeared as an advocate for many of the trainees in court, at probationary hearings, and in meetings with parole officers. She has had to deal with a high percentage of trainees with cases that have been adjudicated (73% of the first-cycle trainees had adjudicated cases; 90% of the second-cycle group).

Brenda often puts in 70-hour weeks, counseling current trainees and completers.

Brenda refers to her trainees and completers as “my kids.” She encourages them to call her anytime of the day and any day of the week if they need someone to talk to (they all have her pager number). She maintains a constant dialogue with not only her current trainees but also completers. This bond was clearly evident during our interviews of the current trainees and recent completers. She is tremendously proud of her kids, and the impact on them is apparent in their enthusiasm.

Brenda also works to ensure that the academic portion of the program meets the needs of the students. She was instrumental in persuading a former academic instructor to return to the program, despite the instructor’s reluctance due to uncertain funding of the program from year to year. The educational component is tailored to each trainee, as the program has been confronted with trainees that have a broad spectrum of abilities and aptitudes. Brenda has made sure that the educational classroom sessions are coordinated with the vocational house-building tasks. She has also personally taken on the responsibility of developing the trainees’ leadership skills.

Brenda is clearly sold on the Youthbuild philosophy and is dedicated to its continuing success. She has a very strong commitment and desire to see “her kids” succeed. She strives to motivate each trainee to meet his or her full potential. She is well-organized and meticulous with respect to completing and maintaining the variety of evaluation and monitoring forms that Youthbuild USA encourages its affiliates to use. She is constantly seeking feedback from current and former trainees and staff on how to improve their program.

*All names of participants and staff have been changed to maintain confidentiality.*
Yet many of the Youthbuild programs noted that the partnership was less than ideal. The most often-cited complaint was timing. On many occasions, Habitat did not have enough sites for the Youthbuild participants, or the sites were not ready for Youthbuild workers. In such cases, participants were left with little or nothing to do. Also, participants resented that while they performed all the strenuous preparatory work, such rewarding tasks as lifting the walls and setting the roof were often reserved for the weekend volunteers. Even programs with successful Habitat partnerships, such as the case with the Century Center for Economic Opportunity, prefer to develop their own housing in order to control issues of timing and training opportunities.

Other housing partnerships have been more than frustrating, bordering on disastrous. One program’s housing partner was unable to secure funds for the housing construction, which resulted in the Youthbuild program’s failure to complete any housing units during that grant period. In addition, it caused stagnation of the program’s operations, delayed the closure of the grant, and required a contract extension in order for the program to draw down all the funds in its award.

Grantees frustrated with such partnerships are seeking ways to become their own housing developers. This would enable them to set their own construction schedule and align it with the vocational training of their students. Furthermore, the revenues generated from the sale of the affordable homes, or from the rental income, could potentially be used for construction costs of subsequent housing projects.

A reportedly successful partnership was developed between the YWCA of Greater Miami Youthbuild program and the Miami-Dade Housing Agency. The YWCA used the public housing units as an on-site location for vocational instruction and training. Students were taught fundamental carpentry techniques and were allowed to apply these skills to rehabilitate the public housing apartments. In addition to providing the classroom and training space, the housing authority provided the necessary materials for the rehabilitation of its units.

One site with limited resources established several “paper” relationships in which some of its services were exchanged with other programs for other services. There were no fees or exchange of funds for these transactions. The disadvantage of such an arrangement, as the Youthbuild site later discovered, was that key program services were contingent upon the coordination efforts and relationships of the staff person who had initiated the partnership, and once this employee left the organization, the partnerships disintegrated.

In some instances, partnerships are successful and can be held up as a model of efficiency in implementing the program. In one case, the grantee established a partnership with the local GED instruction provider and the local state-sponsored
employment training program. The GED instruction was provided at no charge to Youthbuild and with high success rates—the participants had a GED attainment rate of over 43%. The employment training program subsidized the cost of the student stipends, freeing resources for leadership training, job placement, support services, and vocational training.

Another good example of a successful partnership was an agreement between the Tree of Life Youthbuild program and its local vocational technical college. The technical college, in this instance, offered classes in blueprint reading and OSHA training. Participants were able to accumulate 18 hours of college credit for these classes and could obtain an OSHA certification after completing and passing the safety training. In addition, the college used the actual Youthbuild construction site in blueprint reading class. As an added advantage, the students were exposed to a college environment and were able to use the school’s computer lab as needed.

PARTICIPANT CHARACTERISTICS

A total of 846 participants were enrolled by the 20 Youthbuild programs visited. These participants averaged 19 years of age and almost three-quarters (73%) were male; 90% did not have a high school diploma or GED when they entered the program. In keeping with HUD guidelines, the vast majority were from very-low-income households, and some of the participants were themselves homeless. In addition, over one-third (38%) of these students struggled with alcohol and/or drug abuse, and many (43%) reported having had a criminal history.¹

Program Staff

Like the diversity of agencies and organizations that received Youthbuild grants, staff devoted to delivering Youthbuild services varied widely in background and experience. Generally, Executive Directors tended to reflect broader perspectives and more entrepreneurial spirits. Many had social service and/or community development backgrounds. Because of their responsibilities to their entire organization, they were less focused on daily Youthbuild operations and more apt to view Youthbuild as part of a larger organization devoted to a specific mission such as community development, youth development, or vocational training. Executive Directors were also more likely than other staff to develop key relationships with organizations that would become housing partners.

Program Directors, the persons most responsible for the daily operations of Youthbuild, tended to have backgrounds and experience in education,

¹ In Chapter V of this report, we discuss how the characteristics of Youthbuild participants compare with those of participants in other youth employment programs. While only one of the four other program evaluations reported drug use (at a rate of 60%), three of the four comparison programs kept track of participants’ criminal history. They had arrest rates of 57%, 27% and 15%.
community development, housing development, and social services, particularly services to youth. There were at least two instances where Program Directors had backgrounds in criminal justice. Many brought at least 10 years of work experience with demonstrated staff management capabilities. A significant number of Program Directors were already part of their larger organizations. Other Youthbuild Program Directors were hired specifically to fill that position with the program.

Not surprisingly, Academic Instructors had the most consistent backgrounds and experiences, those of teachers or instructors either within a school system or in similar types of programs that required academic instruction. Many had experience in curriculum development and were able to design academic modules to address a wide range of academic aptitudes. At least two organizations had a charter school. At one of these sites, Youthbuild participants attended classes there, and the academic instructor was the principal of the school and resided on site. Some programs contracted for academic instruction and maintained no academic instructor on their staffs.

| Total Number of Participants Enrolled | 846 |
| Mean Number of Participants Per Site  | 42  |
| Median Number of Participants Per Site | 40  |
| Mean Age                              | 19.3 |
| Median Age                            | 19.0 |
| Male Participants                     | 73%  |
| Female Participants                   | 27%  |
| High School Diploma/GED at Entry      | 11%  |
| Alcohol and/or Drug Abuse             | 38%  |
| Criminal History                      | 43%  |

Vocational Instructors seemed to have the most diverse contract arrangements with Youthbuild. Some were construction professionals who worked for Youthbuild exclusively. Others were vocational instructors under contract to Youthbuild. Still others lent their expertise to Youthbuild on specific projects through either contracted or in-kind arrangements. Virtually all had long-term work experience in the construction industry, though in different professions, ranging from carpenters to laborers to electricians. Some instructors were or had been union members; others had not.
Counselors, like the academic instructors, seemed to have fairly consistent backgrounds—most often as counselors or caseworkers in social service agencies and organizations. They frequently spent the most one-on-one time with participants and often possessed strong communication skills and a steadfast commitment to the participants’ overall well-being and self-improvement.

Executive Directors, Program Directors, Academic Instructors, Vocational Instructors and Counselors/Caseworkers formed the core of Youthbuild staff. Job Developer appeared to be the most critical position outside of this core group. The backgrounds of staff in these individuals varied widely, including prior work in youth development, work in social service agencies, or experience unrelated to a program such as Youthbuild. Few job developers had work experience directly in job placement or career development.

Budget, financial management, and data collection functions were often assigned to staff who were not directly responsible to Youthbuild. In these cases, they allocated the percentage of the time they spent on Youthbuild. Budget and financial management staff generally had backgrounds in accounting or bookkeeping. Data collection staff had administrative backgrounds. Often, instead of this position being filled by one individual, the job responsibilities were shared among the entire staff.

As in many for-profit and nonprofit organizations, strong leadership is a key element. Effective and successful Youthbuild programs are often run by exceptionally dynamic leaders, whether executive director, program manager, or other critical position. For example, in Lincoln, Nebraska, a program that has been successful in securing employment for all of its graduates benefited from having two especially effective leaders. The program manager was a dedicated man with considerable experience working with at-risk adjudicated youth and a deep commitment to participants. He was supported in his efforts by the program director, whose rapport and charisma was key to building and coordinating partnerships with other organizations. This in turn helped to ensure employment for the graduates and make the program successful.

**DAY-TO-DAY PROGRAM IMPLEMENTATION**

**Recruitment and Selection**

Youthbuild programs employed a wide range of techniques to attract participants. The most typical methods included flyers, posters, and word-of-mouth from current or former participants. Others used newspaper advertisements; radio and television announcements; direct mailings; outreach to groups such as high schools, community advisory boards, and other youth organizations; and announcements in churches through bulletins and meetings. Overwhelmingly,
programs reported that word-of-mouth was the single best recruitment tool.

Flyers were also considered effective, since they are inexpensive to produce, can be distributed over a wide area quickly, and can be posted in high-traffic areas frequented by at-risk youth. Most programs also adopted outreach methods that were unique to the way their local youth obtained information. For example, the Mobile Housing Board used direct mail because program participants were being recruited from a discrete, targeted, low-income population (residents of two local public housing authorities) where any age-qualifying youth was eligible. Grantees were encouraged to make special efforts to recruit females, which often required a separate marketing strategy such as advertising in childcare centers and health care clinics.

Another program, Impact Services Corporation in Philadelphia, reported that radio advertisements were effective; the program was located in an urban area where the youth were avid radio listeners and the grantee was thus able to reach a large potential participant population quickly. Yet another program set up tables and booths in building lobbies and other public spaces where young people congregated or passed through. Friendly and open face-to-face conversation was not only an effective recruitment method, but also served as a screening mechanism for this grantee. Youth agencies, social service agencies, and in some cases, the courts, also referred potential participants to Youthbuild programs.

All programs required that potential participants complete an application process to determine both eligibility and suitability. Eligibility was based on income, age, academic achievement, and interest in learning construction skills. Generally, eligibility was easy to assess quickly, although household income information was often difficult to obtain. Most participants did not know their household income and were unable to obtain this information from the head of their household. Applicants’ addresses appeared to be one of the most effective methods for determining income eligibility. Some participants were residents of public housing, which has strict household-income eligibility requirements. Youthbuild organizations that also develop and/or manage affordable housing, such as Low-Income Housing Tax Credit developments, often have detailed income information on residents that enable these organizations to determine if potential Youthbuild participants are eligible. Nueva Esperanza in Holyoke, Massachusetts often relied on this method to determine eligibility of its participants.

Suitability was determined through an application process that included a test of basic skills, a writing sample, and a personal interview. The application asked for basic information such as name, address, and telephone numbers, as well as for household income, race, sex, and past academic achievement.

Many programs conducted criminal background checks and administered drug
tests. This information was used to help ascertain the types of supportive services a participant might need to succeed in the program. Many female participants required assistance with childcare. Interviews were used to determine whether the primary interest was academic or vocational, and if the recruit would make a compatible addition to the class.

To attain the targeted numbers of participants and completers, programs learned to “over-recruit” during the recruitment and selection phase. For many programs, there is immediate attrition because some potential participants will not advance beyond the initial application process, and because some who are accepted leave almost immediately when they begin to understand the program requirements. In fact, several programs reported having struggled in their start-up years because they significantly underestimated the number of recruits needed to meet their ideal number of participants and completers. These programs attribute the initial low retention rate to the combination of high needs of the target population, Youthbuild’s rigorous academic demands, and the taxing manual labor demanded of the construction work.

**Academic Assessment**

Thirteen of the 20 site-visit locations use the Test of Adult Basic Education\(^2\) (TABE) to confirm academic levels, and to help serve as indicators of participants’ likelihood of attaining the GED during a usual program cycle. Potential participants who tested below the seventh-grade level in mathematics and English were unlikely to attain a GED during the typical eight to 12 months that most participants spent in Youthbuild, but they were still admitted into the program if judged to have sufficient potential to progress academically and be able to learn the vocational portions of the program.

Recognizing that they were working with an at-risk, and most often academically challenged youth population, few programs had a baseline academic achievement level that students needed to meet to participate in Youthbuild. Several grantees’ staff noted that they did not “cream” from among the recruits because they did not believe that the sole objective of the program was to help participants obtain their GED or high school diploma. Furthermore, staff members point out that the primary indicator of a participant’s success in the program was not the potential for academic achievement, but the participant’s determination to change the direction of his/her life. By accepting a small number of GED-ready participants, these programs are less likely to have high rates of GED and high school attainment.

**Approaches to Academic, Vocational, and On-Site Training**

\(^2\) This test, published by McGraw-Hill, is used nationwide to measure achievement of basic skills commonly found in adult basic education curricula. Reading, language, mathematics, and spelling are the areas measured.
All programs delivered academic training that would ideally lead to a GED and/or high school diploma, and all programs delivered classroom and practical vocational instruction that would lead to the attainment of construction and construction-related skills. But the approaches used to deliver the academic and vocational portions of the programs varied as much as the programs themselves.

Several programs began with two- to four-week orientations designed to develop “mental toughness” and readiness for the challenges of Youthbuild. Others structured modules where program participants began with academic instruction and moved to vocational training after completing the academic portion, which could take up to three months or more. Most programs, after the orientation period, alternated academic work with vocational training on a weekly basis. Per HUD’s guidelines, half of each participant’s time is spent on academic instruction, leadership training, and counseling, and the other half is dedicated to vocational and on-site construction training.
Program Accepts Participants of Varying Academic Levels

The staff of this midwestern Youthbuild program were confident that they could, through their screening process, select participants with maximum potential for passing their GED during the course of the program. However, they also stated that many of those young people could quite possibly succeed on their own, or in a less intensive program. Therefore, the staff decided to use more qualitative criteria that would identify individuals most in need of the services and training provided by Youthbuild.

For the first grant, the site enrolled 20 youth (out of 83 recruited) who completed a three-week mental toughness course. As some participants dropped out, others were enrolled, so that 29 different students were enrolled over the first grant period.

At entry, these participants took the Test of Adult Basic Education (TABE), scoring a mean grade equivalent of 6.5 in the math portion and a mean grade equivalent of 7.4 in English. Fourteen of these participants successfully completed at least six months of education, job training, and leadership training. Seven of them (50%) completed their GED. All 14 were placed in jobs, and follow-up has been focused on helping them remain in those positions or find new jobs. One person went on to pursue higher education. At exit, both TABE mean scores had risen to 10.8, or the equivalent of completing most of the 10th grade. The mean score in math had improved by 4.3 points and the English score by 3.4. During this time, one new house was constructed for the public housing authority.

To address the needs of participants who test too low to prepare for a GED, one Youthbuild site referred them to alternative learning environments where classes helped them achieve the baseline academic levels that would enable them to participate in Youthbuild GED classes. At least two other programs addressed the disparity of academic levels by opening and operating a charter school. One of these programs was a large, vocational facility that accepted participants with a wide range of academic achievement and vocational interests. Participants lived on site while they were enrolled at the facility. The objectives of Youthbuild aligned well with the organization’s work, and, through the charter school, the organization could meet a continuum of academic needs through its own resources. The other Youthbuild site used its charter school to provide the academic portion of the program, and to help interested participants brush up on basic academic skills prior to program entry. The charter school also supported Youthbuild graduates who had not obtained their GED while participating in the program, allowing them to continue their studies in a more tailored and rigorous fashion.

Most academic programs, despite differences in approach, were clearly designed to move participants towards the attainment of the GED and/or diploma. Pre-tests were administered at the beginning of academic instruction, and testing at regular intervals determined participant progress. Academic instruction included mathematics, English, and social studies, and was aligned with the test requirement for the GED and/or diploma. Additionally, program participants learned applied mathematics, which connected math classes with on-site construction work. Programs used instructors, textbooks, and computer learning labs as educational resources. In one state, the Youthbuild program also
provided several experiential learning activities over the summer months in order to meet the state’s unique GED and high school diploma requirements.

Vocational programs among the sites were more varied. While all taught construction skills, the range was diverse. The Gulf Coast Trade Center Youthbuild program in New Waverly, Texas, taught six specific building trades—bricklaying, carpentry, painting and decorating, millwork and cabinetry, building trades, and building maintenance. Another taught basic carpentry skills.

Many programs taught blueprint reading as part of vocational instruction, and several programs contracted for driver education classes—in the belief that a driver’s license would increase mobility and therefore increase participants’ employability. On-site vocational experience was coupled with vocational instruction, and participants were given the opportunity to apply their instruction on a “live” site. On-site supervisors managed this work and provided progress reports to program directors.

In the construction projects, Youthbuild participants were often involved in all aspects of the work except when it might have been complex, dangerous, or require the work of a union member—for example, electrical work and plumbing. In such cases, participants received instruction while observing the work in progress.

Participants developed strong pride in the work. Friendly competitions developed between the teams, to see which one could complete tasks the fastest and most accurately. One group of current participants reported that private contractors had finished one of their projects in the interest of time. While the participants respected the pragmatic considerations of finishing the project, they were concerned that others would receive credit for work they had completed. In interviews with current participants and alumni, all spoke proudly of the projects they had completed and their contributions to them.

**Social Services Delivery**

Because their target population is low-income, at-risk youth, the program grantees offered support services to help ensure successful participation. Many programs contracted for these services with local community agencies, often as an “in-kind” contribution. Individual and group counseling, mental health counseling, substance abuse intervention, pregnancy prevention, violence prevention, and HIV/AIDS prevention services exemplify the typical array of services made available to Youthbuild participants.

Grantees considered social services as important to participant success as academic and vocational instruction. Issues such as child care and health needs often affected participants’ ability to study and work. Grantees recognized the
need to support participants more holistically, which meant providing appropriate vehicles for social and health issues as well as academic and vocational ones.

Another service that many Youthbuild programs provide, even though it is not mentioned by HUD guidelines, is transportation to and from the program, as well as to other activities such as job interviews and GED tests—and once they have jobs, to job sites. On at least two occasions (both at rural sites) Youthbuild staff stated that they voluntarily picked up and dropped off participants on a regular basis.

**Community Service and Leadership Training**

Youthbuild grantees considered effective leadership training and development critical to program success. Some programs provided this training as part of their orientation and structured it to be part of the “mental toughness” that would prepare participants for the demands of the program. Others delivered ongoing leadership development that addressed the challenges participants were facing in various stages of their participation in Youthbuild. Several programs helped develop “advisory boards”—which were actually participant-run councils that dealt with participant issues. Grantees saw these as additional vehicles for developing and fostering leadership.

Several programs enlisted the help of AmeriCorps members.³ Youthbuild grantees used AmeriCorps members primarily as mentors and tutors and to assist with on-site vocational training. At two sites, Youthbuild participants could simultaneously join AmeriCorps and perform community service to accumulate hours towards their college tuition and obtain health insurance. In at least one case, the Youthbuild site also administered the AmeriCorps program and received administrative funds, as well as funds for staff to provide training and education. In at least three of the Youthbuild programs that involved AmeriCorps, Youthbuild completers who had not been placed in jobs had the opportunity to join AmeriCorps.

**Job Placement**

Job placement was one of the most challenging areas for the Youthbuild programs we visited. While one of the goals of Youthbuild is to prepare participants for employment, particularly in the construction industry, the reality is

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³ AmeriCorps engages more than 50,000 Americans each year in intensive public service. AmeriCorps members tutor and mentor youth, build affordable housing, teach computer skills, clean parks and streams, run after-school programs, and help communities respond to disasters. AmeriCorps members commit 10-12 months to these community service activities, working either full- or part-time. Upon completion, members receive an education award of $4,725 to pay for college or graduate school, or to repay student loans. They also receive health insurance, training, and student loan deferment. About half of the members also receive an annual living allowance of about $9,300. Part-time participants receive partial education awards.
that many program completers do not work in construction. Based on open-ended discussions with a non-statistical sample of Youthbuild staff, we estimate that approximately one-quarter of the students were interested in pursuing construction as a career. Those who were interested, however, frequently found that few entry-level construction-related jobs exist, particularly in areas of the country where there is a small or moderate amount of development activity.

One major problem is the limited success that Youthbuild job developers have had in establishing relationships with potential employers in the construction field. Strong industry relationships are extremely important for successful job training programs; yet these Youthbuild programs tended to have few viable relationships with employers—large or small—in the construction field. Even in cities where the residential construction and rehabilitation industry is particularly active, Youthbuild programs did not appear able to place participants with small contractors doing residential construction and remodeling.

These Youthbuild programs did not establish relationships with construction trade unions. Building such ties is a challenging task, given the unions' often strict guidelines for admitting and training apprentices. Even Youthbuild programs whose vocational training staff are union members encountered difficulty in efforts to form relationships with unions. An exception is the program in Washington, D.C., where participants took vocational training at a union “training facility” and have secured jobs on at least one major public-sector construction project—a convention center site. In California, the Teamsters union provided 40 hours of HAZMAT (hazardous materials) training to the Youthbuild participants using a grant from the federal government, but the partnership does not extend beyond the safety training into apprenticeship or job opportunities.

Very few sites reported having more than one program completer join a construction apprenticeship program. However, two programs have had some degree of success; in one program 15% of completers participated in a union apprenticeship-type program and in the other 10% did so.

In areas of the country where there is a strong union presence, Youthbuild participants may be precluded from obtaining construction jobs because they are not union members. Often, a GED or a high school diploma is a requirement for union eligibility. Youthbuild participants who have completed the program but have not yet attained their GEDs face an additional barrier to obtaining construction jobs until they have successfully satisfied the GED or diploma requirement.

As an alternative to working on a traditional construction site, some participants were placed in building maintenance jobs, where they could hone the skills they learned at Youthbuild and earn better than minimum wage.

Prior to program completion, many programs offered job-readiness skills such as
resume writing and interviewing. One program asked participants to research their career interests. In others, professionals from different construction-related fields were invited to speak to participants about various career opportunities. Speakers from fields unrelated to construction were also invited, as grantees recognized that not all participants would work in construction.

When construction-related jobs were not available or attainable, some participants took retail jobs with companies such as Home Depot, where they might have the opportunity to sell construction materials and put their YouthBuild experience to use helping customers build or improve their homes. Participants also took retail jobs in pharmacies, fast food restaurants, and general merchandise stores—generally for wages that were slightly above minimum.
Union Profile: Joint Carpentry Apprenticeship Committee (JCAC)

The Joint Carpentry Apprenticeship Committee (JCAC), in Maryland, just outside of Washington, D.C., offers an apprenticeship-training program to participants of Youthbuild and several other programs. The JCAC program, which operates two eight-hour days a week, teaches carpentry concepts as they apply to commercial work such as pouring concrete, window and door framing, and cabinetry. JCAC also helps apprentices find work based on their skill levels. Jobs include health benefits paid by the contractors. Wages are 60% of the journeyman wage, and raises are given annually. Apprentices must work 1,600 hours annually and spend 190 hours in the classroom each year. After two years, apprentices are eligible for pensions. It takes four years to become a journeyman.

In many instances, the Youthbuild program pays an instructor from JCAC to work directly within the Youthbuild program, teaching basic skills and concepts and working with the students on-site.

JCAC has been involved with Youthbuild for about three years. The relationship is beneficial for several reasons. Youthbuild has the use of carpentry experts in its vocational training. Youthbuild also has access to union linkages, providing program participants a good opportunity to obtain union memberships and good construction jobs. Youthbuild participants are exposed to apprentices and union workers while they are at JCAC’s building and can watch those in training practice their craft at JCAC’s facilities. For its part, the JCAC gains a natural feeder for its union apprenticeship program. This is especially important because they report that traditional carpentry is a dying trade—one that has lost its popularity and glamour.

The apprenticeship program rents space to Youthbuild and provides books and other materials for the vocational training portions of the program.

Tracking and Follow-Up

All programs reported that tracking program completers is a challenging task. Programs have developed tracking schedules that can range from 30 days to 18 months after program completion. The primary obstacle to successful participant tracking is the difficulty of maintaining accurate contact information. Housing instability results in frequent moves for some participants; and some go to prison after leaving the program. Programs may attempt to collect telephone numbers of relatives and close friends as a way of tracking participants, but tracking is most successful when program completers initiate contact, or when programs continue to offer them support services.

There have been several attempts to create alumni groups; however, once participants are working, it is often challenging for them to participate in program activities. Most programs offer themselves as a resource to any Youthbuild graduate—often months beyond the maximum follow-up of 12 months established by HUD.4

4 Under 24CFR Chapter V, Subpart D, §585.305, the following are among the eligible activities: job placement (including entrepreneurial training and business development), counseling, and support services (for a period not to exceed 12 months after completion of training) to assist participants.
HUD CONTRACT LENGTH

Six of the 20 sites visited exceeded the maximum time limit allotted to expend their HUD funds. In one case, the program was only one month beyond the deadline, but the other five were at least three months or more beyond the agreed-upon completion dates. In fact, two programs were nine months overdue. Neither of these programs was funded in the year following the year examined by AREA. One of them cut costs and extended the use of its current grant in an attempt to stay in operation. It was successful in obtaining other funds that helped keep it functional until it was able to secure another Youthbuild grant. The other program experienced a complete turnover in staff and nearly closed down entirely; after hiring new staff and reestablishing its program, this grantee was awarded another Youthbuild grant one year later. The programs that were just a few months late in completing their grants attribute the delay to unexpected start-up issues. Ultimately, these delays did not affect the delivery of services or outcomes at the close of the grant.

BUDGET ALLOCATION

In examining how the 20 programs distributed their funds, we used the “Actual Costs” budget submitted in the final report for 16 programs and the proposed budget for the remaining four programs for which no final reports were available. These budgets were organized by activity (e.g., outreach, education, job placement) rather than by operational line items (e.g., staff wages, utilities, office and classroom space leasing, etc.). See Exhibit III-3 for a summary of the use of HUD Youthbuild funds by the 20 site-visit locations.

The following exhibits (Exhibits III-4 through III-9) compare how the programs used their grants by spending activity. Note that state abbreviations were used in place of program names so that all 20 site names could fit on the graphs. State names are also used in the following narrative section, which describes the graphs in more detail.

Using these activity-based budgets, we find that about 30% of the HUD funds were used for academic and vocational training. Alabama’s program spent the most on this line item, dedicating over 53% of its Youthbuild grant to education and job training. On the other end of the spectrum, North Carolina used less than 8% of its grant for this activity.
On average, the 20 programs spent 30% on trainee wages and need-based stipends, benefits, and incentives. However, this is the line item that varied most among the programs—one program spent less than 3% of its Youthbuild grant on student wages and stipends, while another devoted over 61% to this component.

Counseling, support services, and leadership were next, receiving nearly 15% of the HUD funds among all site-visit locations.

In the aggregate, administrative costs accounted for 12%—below the mandated limit of 15%. However, two of the programs exceeded the 15% limit. The 1998 and 1999 Youthbuild Program Applications state that the 15% limit can be exceeded if HUD determines that a private nonprofit agency must do so in order to support capacity development. We could not ascertain if these two grantees met this determination.

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5 No explanation was given for why trainees' wages appeared disproportionately small when compared with other site visit locations. However, it is notable that this grantee expended a larger percentage (35%) of its budget on outreach and recruitment than any other program visited.
Outreach and recruitment activities represented 8% of the budgets overall. However, the median was only 4%, with 11 of the 20 programs spending less than 5% of their budgets on outreach and recruitment. The overall average was skewed by Michigan and North Carolina, which spent 35% and 27% of their grants on this activity, respectively.

Job placement and follow-up accounted for only 6% of the 20 sites’ costs in the aggregate. In North Carolina and Colorado, no Youthbuild funds were spent on this activity; at the high end, Michigan used 15% of its grant for these activities.

HUD Youthbuild funds can be used for housing acquisition, rehabilitation, or construction; however, none of the site-visit grantees proposed using Youthbuild funds for construction-related activities. Youthbuild funds could also be allocated for staff training and technical assistance, but only Colorado’s program took advantage of this option, spending less than 1% of its grant ($3,000) on this activity.

While we do not have data on what percentage of the HUD Youthbuild funds was used to pay for staff, we do have estimates on the extent to which outside vendors or contractors were used and were financially compensated for their services. Six of the 20 site visit locations used outside vendors or contractors to implement one or more of the key elements of its Youthbuild program. Among these sites, various components of the Youthbuild program were contracted out for a fee, including the academic training (3 sites), vocational training (4 sites), and support services (3 sites).

Looking at other public and private contributions to the program budget, we found that most of the other funds were used for housing construction, academic education, and construction training; a small portion was used for counseling, support services, and leadership development.

HUD funds account for 52% of the total budgets, including housing construction cost. Strictly considering the program portion, which does not include the construction line items, HUD funds account for 72% of the budgets. Other sources of funds are generated from other federal, state, and local programs, and from private contributors. Other federal funds are typically earmarked for the housing construction portion of the budget and may include Low-Income Housing Tax Credit, HOME, and HOPE VI funds.
Note: State abbreviations are used as a shorthand indicator of each of the 20 study sites.
Note: State abbreviations are used as a shorthand indicator of each of the 20 study sites.
Note: State abbreviations are used as a shorthand indicator of each of the 20 study sites.
Some state governments—Massachusetts and Minnesota are two examples—have set aside funds to be used by their local Youthbuild programs for housing construction and program operations. Most local contributions are in the form of land upon which housing construction can take place. Private contributions are derived from local foundations, nonprofit organizations (typically the parent agency), Youthbuild USA, and affiliates of Habitat for Humanity International. In-kind contributions are considerably more common than cash payments or land exchanges. Such contributions are usually in the form of academic and vocational training and leadership and support services.

**HOUSING PRODUCTION**

The nature of the housing production component of the Youthbuild program varies somewhat from one location to another depending in part on the central mission of the grantee. The HUD grant application requires that all Youthbuild programs “expand the permanent affordable housing supply for homeless and very low-income persons,”\(^6\) using HUD Youthbuild funds and other sources to cover the construction costs. Despite this HUD requirement, the housing production element of the Youthbuild program is more important for some local agencies than for others. For many organizations, especially those operated by academic institutions or social service agencies, housing production is primarily a mechanism for teaching general job and community leadership skills. For other organizations, housing units produced by Youthbuild are an integral part of the organization’s broader housing production and neighborhood revitalization efforts.

In Holyoke, Massachusetts, for example, Youthbuild participants have assisted with the rehabilitation of sizable multifamily buildings that are financed partially through Low-Income Housing Tax Credits. Although Youthbuild participants provide only a fraction of the labor required to rehabilitate these buildings, the resulting affordable housing is a key component of Nueva Esperanza’s neighborhood revitalization efforts in an area just outside of downtown Holyoke. Youthbuild participants have also helped to rehabilitate some smaller rental and for-sale properties—both single-family homes and duplexes.

Similarly, agencies with a clear housing focus, such as public housing authorities, are able to incorporate the Youthbuild program and the labor it provides into ongoing housing delivery efforts. For instance, Operation Excel Youthbuild, which is operated by the Housing Authority of St. Louis County, has rehabilitated several Housing Authority properties. The organization now undertakes a variety of rehabilitation and new construction activities that are not all limited to the Authority’s properties. Likewise, participants of the Mobile Housing Board’s Youthbuild program received rehabilitation training on units provided by the Mobile Housing Board and the neighboring Prichard Housing Authority. During

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construction, the housing authority maintenance staff supervised the program participants.

Some Youthbuild grantees without a housing focus have formed partnerships with organizations that do emphasize housing production. As discussed earlier, Youthbuild programs often form alliances with local affiliates of Habitat for Humanity International. In some instances, this alliance has worked very well, resulting in a ready source of housing units where youth can train and be a source of labor to speed up construction or rehabilitation.

Youthbuild programs have also attempted to be part of for-profit and nonprofit teams formed to deliver housing under the HOPE VI Program. However, in several instances this alliance has not proved successful because of the lengthy process involved in developing large-scale HOPE VI projects. In Gary, Indiana, for example, Tree of Life Youthbuild’s planned participation in the construction of HOPE VI housing has never come to fruition because of project delays and numerous reconfigurations of the HOPE VI development team. At another location, the agency seeking HOPE VI funds failed to win the award, leaving the partnering Youthbuild program with no housing for participants to develop. The Youthbuild program that year produced no new or rehabilitated housing.

Some Youthbuild programs place very little emphasis on the housing component of their programs. In Lincoln, Nebraska, the Lincoln Action Program gives much more weight to the academic and social services components of its program than to housing production. As a result, during the course of one grant period, program participants trained by concentrating on the construction of one dwelling. Youthbuild La Plata in Colorado has a similar focus on the education, job training, and living skills of its participants. Operated by The Training Advantage of the Southern Ute Community Action Programs, this Youthbuild program is run by an agency with extensive experience in administering social service programs. The construction of one home allowed the program participants to learn about stick-built home construction during one grant period.

Regardless of the relative emphasis placed on housing as a component of the Youthbuild program, most local organizations produce—or in many instances contribute to the production of—a very small number of affordable housing units. A typical production outcome might be only two to three housing units per grant period. There is no doubt that housing construction and/or rehabilitation activity provides good opportunities for youth to learn important job skills, such as promptness and thoroughness, as well as specific trade skills. But in most instances, the training process is slow, and a relatively small number of housing units can be completed during each grant period.

The extent to which Youthbuild participants actually contribute to housing production also varies. In programs where Youthbuild is solely responsible for housing production (without partners), students may provide a major portion of
the labor needed to complete two to three houses, with skilled craftsmen such as plumbers and electricians contributing only where necessary. But in programs partnering with organizations like Habitat for Humanity International or an organization undertaking a HOPE VI development, youth are likely to contribute a small percentage of the labor needed to construct a large number of dwellings. (As mentioned in Chapter IV, one site-visit grantee rehabilitated 90 units of housing.) The only measure of housing production that is available for this evaluation of the HUD Youthbuild program is the number of housing units for which Youthbuild participants contributed labor. But in most cases, HUD Youthbuild programs either produce a very small number of housing units during a grant period or contribute a small percentage of the labor to the production of many units.

NEIGHBORHOODS SERVED

The type of neighborhoods in which Youthbuild programs construct or rehabilitate housing also varies greatly among sites. Although most are very low-income areas, they range from very deteriorated central-city neighborhoods—such as those in Gary, Indiana, and Holyoke, Massachusetts—to new subdivisions in largely undeveloped areas such as the target area in Taos County, New Mexico. Also, some programs scatter their housing units throughout two or more neighborhoods, while others focus on relatively small geographic areas. In California, the Century Center for Economic Opportunity operates in several neighborhoods within South Central Los Angeles and adjacent suburban communities, while in Bemidji, Minnesota, the Bi-County Community Action Program operates in the small, low-income neighborhood of Black Duck.

Based on windshield surveys of selected neighborhoods in which each of the 20 Youthbuild programs operate, approximately 37% of the neighborhoods were categorized as having some deterioration and 27% were labeled as having major deterioration. The overall condition rating was based on a number of factors that were examined for each neighborhood, including:

- The mix of uses (residential, commercial, industrial, other land uses)
- The condition of residential structures
- The condition of infrastructure (streets, curbs, gutters) and the maintenance of features such as street lighting, mail boxes, and trash containers

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The 2002 NOFA states that 25 out of 102 points are awarded to programs that demonstrate that the target area has high needs and is distressed relative to the national average. Indicators of high needs and distress include poverty rate, unemployment rate, high school dropout rate, falling tax base, recent commercial, industrial or military base closings, housing conditions and costs, and crime statistics.
# The maintenance of areas surrounding residential structures, such as yards and garages
# The compatibility of surrounding land uses
# The percentage of neighborhood buildings that appear to be occupied
# Evidence of nearby environmental pollution

## Exhibit III-10. Target Housing Production Areas: Neighborhood Condition

<table>
<thead>
<tr>
<th>Condition</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sound condition</td>
<td>9%</td>
</tr>
<tr>
<td>Some deterioration</td>
<td>37%</td>
</tr>
<tr>
<td>Major deterioration</td>
<td>27%</td>
</tr>
<tr>
<td>Dilapidated</td>
<td>9%</td>
</tr>
<tr>
<td>Minor repairs needed</td>
<td>18%</td>
</tr>
<tr>
<td>Some deterioration</td>
<td>37%</td>
</tr>
</tbody>
</table>

The 20 site-visit programs operate in racially and ethnically diverse neighborhoods, according to field surveys and discussions with program staff members. Although about 39% of these neighborhoods appear to be predominantly African-American, approximately 33% exhibit a mix of racial and ethnic groups. Only 11% of the neighborhoods appear to be predominantly white and only 6% have mostly Spanish-speaking residents.

The visible impact of Youthbuild's housing production activities within a neighborhood varies. In some small towns and rural areas, Youthbuild has constructed a number of new housing units that are concentrated and serve to create a new neighborhood. Even in major urban areas, some programs that we visited have managed to create small enclaves of new or rehabilitated housing within larger, highly deteriorated neighborhoods. But many Youthbuild programs scatter their housing units over several neighborhoods or large geographic areas and produce little visible impact on the housing stock and neighborhoods in which they work. Given the relatively small number of housing units they produce each year and the often deteriorated condition of neighborhoods in which they operate, it would be very difficult for these programs to have a significant effect on neighborhood revitalization.
**HOUSEHOLDS SERVED**

Based on the funding sources used to produce most of the housing constructed or rehabilitated by Youthbuild programs, the population served by this housing is mainly very-low-income, or below 50% of area median income. Federally funded programs that are used to finance the costs of construction materials and labor by persons other than Youthbuild participants include HOME, HOPE VI, and Low-Income Housing Tax Credits, all of which require at least some income-restricted units. Private sector funding sources, such as Habitat for Humanity International's home ownership programs, also focus on very-low-income households.

Discussions with Youthbuild program staff members provided further anecdotal evidence that mostly low- to very-low-income households are renting or purchasing housing constructed by Youthbuild programs. Several program staff members said that many occupants of the housing are low-income, female-headed households. Unfortunately, resident tracking forms that would confirm the incomes and characteristics of residents in the housing produced by Youthbuild programs are seldom readily available. In some instances, local Youthbuild organizations rely on program partners, such as Habitat for Humanity International affiliates, to collect and maintain these records. As a result they are often incomplete and/or inaccessible.
CHAPTER IV
PROGRAM OUTCOMES AND CHALLENGES

This chapter describes the aggregate outcomes of the 20 site-visit programs, examining the numbers of participants and program completers, their success in gaining employment, and their educational attainment. Also discussed are the challenges that grantees face in implementing Youthbuild programs, particularly with regard to the hard-to-serve population targeted by the program.

One finding was that the grantees enrolled more participants and worked on more housing units than they had proposed. The number of actual completers was also slightly higher than the proposed number. With respect to employment, only 9% of all participants held jobs at the time they entered the program, but nearly 36% were employed at program exit. Among those employed, 35% were entering a construction-related field.

More than 29% of participants who lacked high school credentials at program entry had obtained either a GED or a high school diploma by the time they left the program. Nearly 12% of participants pursued some form of higher education after their Youthbuild experience.

Challenges of the Youthbuild program include the difficulties of serving the targeted population, balancing multiple program objectives, attracting and retaining committed and talented staff, and keeping accurate data. Even with good data, however, grantees found it difficult to complete HUD’s reporting forms because many basic terms—such as “participant”—were never precisely defined.

PROGRAM OUTCOMES

Unless otherwise noted, outcomes are measured over a specific “grant period.” HUD and the grantee determine the grant period, which depends on the grant amount and whether or not the applicant had applied in a previous round. The time period can vary from 18 to 30 months, but 20 to 24 months is typical (see Chapter I, Exhibit I-2 on funding caps and time limits). Any reference to program cycle or program year refers to the length of time between the enrollment and the completion of a group of participants, which can vary from six months to 24 months. The average is between eight and 12 months.

Participants and Completers
The 20 site-visit locations exceeded expectations with respect to the number of participants actually enrolled vs. the number of participants proposed. The overall total of participants proposed was 547—equating to an average of 27 and median of 22 per site. But the programs actually enrolled a total of 846 participants, with a median of 40.

In terms of completers the number proposed (408) was much closer to the number actually attained (416). Close to half of all participants became completers, spending anywhere from six to 24 months working toward the completion of both the academic and vocational components of the program. The median number of actual completers per site was 17. (See Exhibit IV-1.)

<table>
<thead>
<tr>
<th></th>
<th>Proposed</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participants</td>
<td>547</td>
<td>846</td>
</tr>
<tr>
<td>Mean</td>
<td>27</td>
<td>42</td>
</tr>
<tr>
<td>Median</td>
<td>22</td>
<td>40</td>
</tr>
<tr>
<td>Completers</td>
<td>408</td>
<td>416</td>
</tr>
<tr>
<td>Mean</td>
<td>20</td>
<td>21</td>
</tr>
<tr>
<td>Median</td>
<td>18</td>
<td>17</td>
</tr>
<tr>
<td>Housing Units</td>
<td>177</td>
<td>253</td>
</tr>
<tr>
<td>Mean</td>
<td>9</td>
<td>13</td>
</tr>
<tr>
<td>Median</td>
<td>3</td>
<td>8</td>
</tr>
</tbody>
</table>

Job Training and Placement

A key objective of the Youthbuild program is to prepare participants for work, particularly in the construction field, which often pays a living wage. The 20 sites examined successfully placed 304 participants in jobs, with an average of 15 and a median of 11 participants per site. This means that 36% of all participants obtained jobs after enrolling. This is a remarkable improvement over the employment rate at the time of entry, which was below 9%.

Approximately 35% of those employed (13% of all participants) entered a construction-related field after completing the Youthbuild program. As broadly defined by HUD's Participant Tracking Worksheet, a construction-related field may include: (a) construction laborer, (b) skilled construction trade, (c) construction management, and (d) property maintenance.
A figure that is not consistently tracked is the number of students who join the military after having participated in Youthbuild. Staff of at least two sites remarked that the armed services represent a viable alternative for their young people, particularly for males who are uncertain about future careers. One site recorded that one in 15 of its participants joined the military.

**Academic Outcomes**

One Youthbuild objective, while not explicitly expressed by HUD, is helping high school dropouts work toward or obtain a GED or high school diploma. Eleven percent of Youthbuild participants already had a GED or high school diploma when they entered the program. Of participants who entered without a high school credential, 29% had obtained either a GED or high school diploma by the time they left the program. Note that these figures account for only those who obtained a high school credential while participating in the program or immediately upon graduation. It does not include participants or completers who obtained a GED or high school diploma after having left the program.

Some participants pursue higher education after leaving Youthbuild. From the 20 sites visited, 12% of participants continued their education at community colleges and universities. Several sites reported that it was easier to provide students with information about and access to other educational and training or vocational opportunities than it was to help them secure jobs in any industry at any skill level.
Participant Profile: Danny

Danny was not literate when he entered the Youthbuild program at age 24. He had attended a local special education school that required a three- to four-year commitment for graduation, but he failed to finish the program because he was arrested for selling drugs. He was incarcerated for three months and wore a “bracelet” for another three months.

Danny heard about Youthbuild from a friend and was drawn to the program because he enjoyed construction and liked the idea of helping to build the community. He had previously held a part-time construction job with a subcontractor and performed some minor repair jobs, mostly to supplement his income from dealing drugs. When he began Youthbuild, he was living with his girlfriend, but now lives on his own. He has a six-year old daughter.

In addition to learning how to read, Youthbuild helped Danny with another one of his biggest challenges—learning to control his temper—by referring him to an anger management program.

Equally important, Danny learned to show up consistently for work and class. As he explained, he had come from the streets and had never before needed to be consistent about anything in his life.

His goal after graduating from Youthbuild had been to secure a construction job, but he was unable to find one. After finishing the program, Youthbuild hired Danny as a construction supervisor, a job he has been doing for about three years. Danny asserted that the best part of the program is the staff itself and their concern for the community. He explained that their high level of commitment to participants was very important to his own success in the program.

Now 27 years old, Danny told AREA that his new goal is to buy and rehabilitate his own buildings. He wants to earn his GED (which he is still working on) and to obtain a subcontracting license. However, the license requires five years experience and he is not pursuing union membership or subcontractor certification at the present time.

Exhibit IV-3.

Academic Outcomes Among 20 Site-Visit Programs

| Number of participants who obtained GED/High School Diploma | 210 |
| Percentage who had GED/High School Diploma at entry | 11% |
| Percentage who did not have high school credentials at entry and obtained GED/High School Diploma at exit | 29% |

Housing Unit Construction and Rehabilitation

An examination of the housing component is important because this part of the Youthbuild program serves two objectives: (1) providing more housing units for low- and very-low-income households and (2) providing construction training opportunities for participating youth.
The actual number of housing units constructed or rehabilitated, 253 units, was considerably higher than the proposed number, 177 units. Grantees worked on an average of 13 units, and a median of eight units. Most (66%) of these housing units were new construction, while the remaining units (34%) were rehabilitated. The units varied in tenure (both for-rent and for-sale), size (varying square footage and number of bedrooms), and type (single-family detached, townhouses, and multi-unit buildings). The projects completed by these grantees ranged from construction of for-sale, single-family detached three-bedroom houses to rehabilitation of large single-room-occupancy buildings. In one instance, students attempted new adobe construction and achieved a measurable amount of success. Despite the wide range in housing types, they were all aimed at low-income households.

As mentioned in Chapter II, the majority of Youthbuild programs proposed constructing or rehabilitating five or fewer units per grant period. Among the site-visit locations, the average number of units completed was 13, or a median of eight per grant cycle. It is important to note that the number of housing units constructed or rehabilitated is not an indicator of the amount of construction training and hands-on experience that participants received. At least three site-visit grantees stated their preference for focusing on the completion of one housing unit at a time so that students would have the opportunity to work on the unit in its entirety to obtain a wide range of work experience.

Working on a large number of units can, in fact, limit the variety of construction experience for students. One participant we interviewed—at a Youthbuild program that was rehabilitating 90 units of housing—complained that the housing work he performed was repetitive and actually frustrated his desire to learn from the on-site construction experience. However, another site that was completing a higher-than-average number of housing units was able to provide its participants with the opportunity to work on various types of housing products at different stages of development. Included were new brick-and-frame single-family detached homes, multi-unit apartment buildings, prefabricated housing, and even a small commercial building with housing above retail space. Participants indicated their satisfaction with this abundance of construction work, which offered a wide range of learning opportunities as well as potential job opportunities after graduation.

**PROGRAM CHALLENGES**

Many factors that affect the nature and quality of the Youthbuild program and its impact on participants are difficult to quantify. In this section, information based on extensive interviews with program staff persons and participants sheds light on some of the major challenges facing Youthbuild program implementers.

**Characteristics of Target Population**

Most program participants range in age from 17 to 21. A commonly held perception among Youthbuild site visit staff was that 16-year-olds are too immature to endure the rigors of the program and are rarely covered by insurance to handle construction tools.
Those over 21 are judged to be too far removed from the academic setting—and unlikely to wish to return to that environment. Few participants have high school diplomas and most have been out of high school for about a year. Generally, participants are male and members of a minority group (African-American, Latino, and Native American are the most commonly represented).

Participants tend to reside with a parent, grandparent, other close relative, or, as in several cases, a friend’s family. As evidenced by the difficulty of tracking Youthbuild completers, housing stability is an issue. If program participants are working prior to entering Youthbuild, they probably hold low-paying, minimum-wage jobs in fast-food or general merchandise stores, but it is not unusual for participants to be unemployed when they enter Youthbuild. Many have at least one child.

Academically, the typical participant tests at about the seventh-grade level in English and mathematics. Behaviorally, participants may have backgrounds that include criminal activity, substance abuse, or violence. It is not uncommon for participants to have mild to moderate health problems—such as asthma, impaired vision, or dental cavities—that have not been addressed because the affected households cannot afford to seek professional medical help. Casework and counseling assessments reveal that many participants enter Youthbuild with poor self-images and a lack of confidence. In sum, Youthbuild assists a very needy and difficult-to-serve population. It should be noted here that the Youthbuild population is roughly similar to the populations served by the other programs examined in this study, which are discussed in the next chapter of the report.

**Youthbuild Program Dropouts**

A challenge closely related to the characteristics of the target population is the dropout rate. Approximately half of program participants leave Youthbuild before completion of the program, making participant retention a major issue. Dropout rates vary from site to site and depend largely on the program’s recruitment and enrollment policy. Some programs prefer to enroll a large number of young people in the hopes of increasing their chances of emerging with a minimum number of completers; these programs have high dropout rates.

Program staff report that the primary reason students leave Youthbuild is because they cannot meet the attendance requirements. All programs have predetermined guidelines—sometimes written by the participants themselves—that establish the minimum number of excusable absences and late arrivals before a student is asked to leave the program. The absences and tardiness can indicate a variety of personal problems, such as refusal to follow rules, childcare needs, drug or alcohol abuse, and others. More positive reasons for dropping out, such as having achieved a GED or obtained a job, were difficult to quantify. Although all sites are required by HUD to complete the Participant Tracking Form, which includes a section on why participants exited the program, so few students left the program for favorable reasons that this figure was not tabulated over time.

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1 Data on racial distribution could not be obtained.
Participant Profile: Lance

Lance, who is now 22 years old, entered Youthbuild when he was 20. He had been living with his aunt and had never held a job. Although his immediate family members used drugs and were unemployed, his aunt was not involved with drugs and was very helpful to him. Lance had spent some time in jail, and his probation officer asked him to choose a program that he thought could offer him better options for his life.

Lance told AREA that at Youthbuild he learned carpentry, which he especially enjoyed, earned his GED, and worked on construction projects. Initially, he had difficulties because he refused to follow program rules, frequently showing up late. When Youthbuild reduced his stipend because of tardiness and general disregard for rules, he began to understand the consequences of his choices and began following instructions.

After completing the program, he worked as an intern at Youthbuild and recruited other program participants while transitioning into a union apprenticeship. Youthbuild supplied him with tools for the apprenticeship, which were too expensive for him to purchase on his own. He currently works on the construction crew of a convention center, a job he obtained through his union apprenticeship. Prior to his current job, he had worked on the construction of a local museum but was laid off due to a slowdown.

Lance reports that Youthbuild staff follow-up and commitment to helping participants succeed were critical to his achievements at Youthbuild. His plan is to remain in the four-year union apprenticeship program, then go to college and study real estate and real estate development. He reports that his Youthbuild experience taught him valuable life lessons, including how to open up and express himself, and helped him commit to something. While he has not been involved in other programs, Lance asserted that no other program would have been as good for him.

Balance of Multiple Program Objectives

HUD states that Youthbuild’s objectives are to teach housing construction job skills to high-risk youth and to provide them with academic opportunities that will help them gain employment. Construction and/or rehabilitation of affordable housing for low- and moderate-income persons is used as a method to enhance their skills. While these program objectives appear well-matched and straightforward, achieving all of them at a high level within the context of program realities is a considerable challenge.

Data from site visits confirm that between one-quarter and one-half of program participants attained a GED during Youthbuild participation. However, a considerable number entered Youthbuild with academic levels too low for GED attainment to be possible within a typical program cycle. Most programs surveyed did not turn potential participants away solely because they would be unable to attain a GED.

Programs have to balance the need to provide quality vocational training against the housing needs that exist in the communities where projects are located. Participants worked on “live” projects as part of their vocational training; however, because they were in training, their work took longer to complete than that of professional construction crews. One program reported that because of time and funding constraints, they had to call on a professional crew to complete a project begun by program participants. Another reported that, on some occasions, participants would be ready to begin a project, but sites were not yet available. In other cases, housing partners provided sites before program participants were ready to begin.
All programs accommodated the realities of their environments and adjusted their expectations accordingly. Attaining a GED is important, but given the academic realities of many participants, working satisfactorily towards the GED was considered as important as actually passing it. Teaching construction skills is one of Youthbuild’s core objectives, yet given participants’ relatively low interest in construction as a career and the low probability that they would find construction-related jobs, grantees see their role more as helping youth to change the direction of their lives and find any type of stable employment.

When asked what parts of Youthbuild were most important, nearly all grantees stated that every component was critical to the success of the program; however, they were all sober about the challenges of addressing the academic and social issues of program participants while delivering on commitments to housing partners with respect to new construction and rehabilitation. Simply, it is difficult to serve an at-risk youth population because of the many services they require to enhance their academic levels and become more employable. Other youth employment training programs have met with similar issues and yielded limited success (see Chapter V). The added Youthbuild criterion of providing low-income housing, while a desirable public goal, is yet another challenge to an already demanding program.

**Staff Skills and Experience**

Overall, Youthbuild staff at the sites studied are seasoned, results-oriented, strongly committed professionals whose backgrounds and prior experience allow them to work effectively with program participants and community and housing partners. The challenge, as mentioned in Chapter III under “Organizational Types/Program Models,” is in retaining a team of experienced, talented, and committed professionals willing to work with some of the most challenged youth, often for over-40-hour work weeks and low pay.

Some organizations have attempted to reduce staff costs by having one individual serve multiple functions—the result being that some functions are performed better than others. In particular, data and record-keeping functions are often given to staff members who have other primary roles in the Youthbuild program.

**Data Maintenance and Record Keeping**

In the course of this evaluation, AREA encountered several data-related issues that raise serious concerns. These problems make it difficult in some cases to gauge a program’s overall effectiveness; they also hinder comparison of Youthbuild with other youth training programs.

**Youthbuild Program Data.** Many of the Youthbuild programs that we examined lacked an efficient and readily accessible system for tracking participants and completers, and at many sites the organization of the financial records made it difficult to link finances with program performance. One explanation for general absence of clean data was lack
of staff: most sites cannot afford a full-time data collector and maintenance position. In many cases, several people shared this responsibility, which resulted in inconsistent record-keeping. Furthermore, since most files were kept as hard copies and as individual files, there is no comprehensive list or summary of all participants and completers over time. In fact, these files are sometimes kept in multiple locations. One site keeps academic files with the teacher, leadership and attendance files with the counselor, and vocational files with the construction manager—all of whom are located in different buildings more than one mile apart from another. Reports such as those submitted to HUD have to be calculated by manually paging through each file.

At sites with electronic files, particularly those using Youthbuild USA’s Web-based software, information was often not up-to-date; staff reported that they did not understand the software well enough to generate relevant and timely reports.

Similar issues plague the accounting and budget-related data-collection and record-keeping functions at some sites. Again, we found hard copy rather than electronic files, as well as staffs that were too small to devote one person solely to fiscal matters. In some cases, budget matters are handled by a person outside the Youthbuild program but part of the larger sponsoring organization. Given the structure of these organizations, this budget person is often physically removed from the Youthbuild program and its participants and does not always understand the correlation between budget costs and program outcomes. One site recognized this possible problem and encouraged its budget director to work with the participants regularly on a volunteer basis. This experience led the budget director to view Youthbuild’s financial imperatives from a different perspective; when it came time to craft the budget the following year, she developed a fresh financial strategy that included additional funding sources. New partnerships were forged to reduce expenditures, and freed funds were used to improve key outcomes (such as job placement) and to pay for additional activities that benefitted participants.

Even among sites that kept accurate data, very few analyzed the information with an eye to improving their programs. In most cases, data use was limited to background information for reports to various funding sources, and to help develop future funding applications.
### Good Use of Data

One Youthbuild program was unique in that it collected and analyzed a tremendous amount of data on its program participants, budget, and outcomes. The Youthbuild staff at this site compiled for AREA researchers a three-inch-thick binder containing a wealth of program information. It included a narrative summary of the site’s history; its funding applications, progress reports, budget information, and Final Evaluation; and most impressively, a comprehensive list of its past and current participants, including demographic characteristics and program achievements.

Although Youthbuild USA played a significant role in helping the site organize and put to use the data made available to us, it is clear that the program put considerable effort into compiling the information, transferring it into electronic files, and then making use of the data to improve its future outcomes. In fact, one staff person at this site reported that it took them about one year to establish a record-keeping system and then clean up historical and current files and consolidate them into the new system. It has indeed simplified the funding application and reporting process, but it has also helped them fill gaps in their target population, redesign their recruiting efforts, and further tailor their program to ensure completers’ successes.

### Unclear Definition of Terms

**Due to the lack of specificity in the definitions of some Youthbuild terms, implementers have applied a wide range of definitions for some of the program’s most basic terms, including “participant” and “graduate.” This not only makes it difficult to assess the outcomes of individual programs, but also hinders comparison of outcomes relative to other youth employment training programs.**

These terms are often used in key Youthbuild record keeping forms. For example, HUD’s Youthbuild Participant Tracking Worksheet states that this form should be completed “for each participant entering the program,” but neither the regulations nor the form explicitly state at what point a youth is considered a participant. Similarly, the Semi-Annual Progress Report and final Performance Evaluation Report to HUD requests information on the number of “active participants” and the number of “participants who have graduated,” but the HUD guidelines do not specify any minimum participation time period as a graduation requirement.

HUD’s reports also require information on retention rates, but do not define this measure. AREA also sought information on retention rates for purposes of this analysis. We defined this rate as “program completers divided by total enrolled minus those continuing in the program.” However, many sites, at the conclusion of a grant period, considered current participants who were continuing in the program as part of the subsequent cycle or class and thus did not have a “retention rate” as we had defined it. Whether or not such students were counted as “active participants” in the reports to HUD depended on whether they were counted in the closed cycle or in the following program cycle. Thus, programs cannot easily provide information on this key measure of program effectiveness.

Another term with unclear parameters concerns employment. HUD’s final Performance Evaluation Report asks for the “number placed in jobs after graduation.” Grantees reported only those participants placed by the time they completed the program or immediately thereafter. Yet, some noted that their unemployed completers were
assisted for several months following graduation and many obtained jobs as a result of this assistance. These placements are not reported to HUD because the grants are often closed and the Final Evaluation Reports have already been submitted. The result was an understatement of employment outcomes. One grantee’s strategy was to reserve a portion of its grant amount to assist in the long-term job placement of its completers, and to delay submission of its Final Report until several months after its last class was completed on that grant cycle.

**Participant Tracking Forms.** The vast majority of the sites use the Participant Tracking Forms and keep them with their participants’ files. However, in many instances, the forms are not fully completed. In particular, information is incomplete for household income and for the Exit Report section of the Participant Tracking Forms. Regarding household income, there is little doubt that these participants are indeed low-income and meet HUD’s income requirements. Anecdotal evidence suggests that this question is left blank because many participants simply do not know and cannot obtain the information from their parents or head of household.

The Exit Report section is to be completed by the program; in some cases it is incomplete because it requires finding and tracking participants once they have completed the program. The explanations given by many Youthbuild sites are that some completers move, many are incarcerated, and others simply do not return phone calls, eventually losing contact with the program altogether. The ones who need help finding a job (and are most likely turn to Youthbuild for this assistance) or those who have successfully obtained a job are the completers who are easiest to track and whose Exit Report forms are complete.
Participant Profile: Sherelle

Now 24 years old, Sherelle was 21 when she entered the Youthbuild program. Previously she had worked as a security guard—a job that she considered “dead end”—and had delivered mail for the Postal Service on an as-needed basis. Sherelle had her high school diploma and was living on her own with her two-year old son. During this time, she also abused alcohol and drugs.

Sherelle explained that she decided to enter Youthbuild because she was a single parent with no childcare and no family to help her. She thought Youthbuild would give her an opportunity to better her life. She also viewed Youthbuild as a program that pushed participants to work hard, contribute to the community, and do something with their lives. Youthbuild helped Sherelle with both childcare and transportation during the 10 months it took for her to complete her program, but she continued to have financial difficulties during her entire Youthbuild participation.

Although she already had a high school diploma, Sherelle took the opportunity to improve her academic skills at Youthbuild. In addition, through her vocational training and work she entered an apprenticeship in painting, but it was not a satisfactory experience for her.

She reported that she was treated differently because she was a woman, and resented that her work was limited to light work such as painting frames. Eventually laid off from the apprenticeship, she returned and worked directly for Youthbuild, where she was able to learn office skills. Sherelle then entered another program designed to build leadership skills and, as part of this program, was placed with a nonprofit organization that provides adult computer classes. It also has an after-school program that her son, now five, can attend. Youthbuild helped her obtain this job.

Sherelle reported that Youthbuild’s family-like atmosphere was very important to her and helped to motivate her, and that her improved communication skills are a major accomplishment. She is applying to the local community college to study psychology, and will continue with her job until then. She said that Youthbuild inspired her to go to college. Sherelle asserted that the work experience at Youthbuild teaches participants what is required to hold a job – being punctual and taking responsibility for the entire job, not just the parts that are enjoyable.
CHAPTER V.
COMPARISON WITH OTHER YOUTH EMPLOYMENT TRAINING PROGRAMS

SUMMARY

This chapter compares Youthbuild with four other federally funded programs for disadvantaged youth: Job Corps, JOBSTART, the youth components of Supported Work Demonstration (SWD), and Job Training Partnership Act (JTPA). All four programs have been rigorously evaluated through (1) randomly assigned experimental and control groups (with the former composed of those admitted to the program and the latter composed of those excluded), (2) extensive data on participant demographics and program performance, and (3) tracking of outcomes over time (in the case of Job Corps for four years following program intake) using administrative data (wage record data collected by states) to track employment outcomes. Obviously such analyses are complex, long-term, and quite costly.

What these four evaluations illustrate conclusively is that helping disadvantaged youth advance economically and educationally is very difficult and expensive. Of the four rigorously evaluated comparison programs, only Job Corps—a very intensive and expensive residential program—was found to have significant impacts on participant educational achievement and earnings, though not on employment rates.

The comparison of these programs with Youthbuild is rough at best. Youthbuild has not been subjected to a rigorous evaluation similar to those of the comparison studies. The Youthbuild evaluation is qualitative; it relied on data supplied by program providers, which varied in quality and completeness, and it tracked immediate outcomes (in terms of GED completion and job placement) for Youthbuild participants. In contrast, the other program evaluations tracked outcomes for up to three years after program exit and had access to administrative data. Furthermore, in contrast to the other programs, there is no consensus among Youthbuild providers and HUD on the specific objectives of the program or how to measure outcomes with respect to students served and program finances. This lack of consensus would make a rigorous evaluation of the Youthbuild program difficult even if HUD wanted to invest the necessary resources. Nonetheless, even though we cannot make a definitive assessment of Youthbuild's impact or effectiveness, we can bring evidence to bear on its outcomes and costs and how they roughly compare with other youth employment training programs.

We found that in present-value dollar terms Youthbuild is relatively expensive compared to the other programs—especially since it is a nonresidential program. And while it is not possible to make definitive judgments about the program's effectiveness, its outcomes do not appear, on the surface, to be better than those of Job Corps and the other comparison programs. In terms of GED attainment and employment, the rates for
Youthbuild participants seem to be on average closer to those of the Job Corps control group (the youth not served) than to those who actually went through the Job Corps program.

DESCRIPTION OF COMPARISON PROGRAMS

The four comparison programs are Job Corps, JOBSTART, and the youth components of Supported Work Demonstration (SWD), and Job Training Partnership Act (JTPA). Job Corps, JOBSTART, and SWD are roughly similar to Youthbuild in terms of target population, length of programming, and services offered. In terms of target population, these programs all target the same income level, academic achievement, and age group. The JTPA youth program is included in this analysis because it offers the opportunity to compare Youthbuild with a relatively low-cost and low-intensity program. Only one of the comparison programs, Job Corps, is still operating. (See Appendix B for a literature review that describes these programs and their evaluations in detail.)

Job Corps provides education, training, health care and other supportive services, and a small annual stipend to disadvantaged youth between the ages of 16 and 24 in a residential setting. It is the largest and most expensive federally funded job training program for youth. Established in 1964, it is also the longest running federal program for youth.¹

JOBSTART provided instruction in basic academic skills, occupational skills training, training-related support services, and job placement assistance. The participants, economically disadvantaged school dropouts between the ages of 17 and 21 who read below the eighth-grade level, received a minimum of 200 hours of basic education and 500 hours of occupational training. JOBSTART was modeled after Job Corps, but did not offer a residential setting or the same extensive array of support services. This program operated between 1985 and 1988.²

The Supported Work Demonstration (SWD) subsidized the employment of participants placed in construction, manufacturing, business services, and clerical jobs with increasing responsibilities over time, and provided peer support and close supervision. Young high school dropouts were one of the four target groups included in SWD (the others were welfare mothers, drug addicts, and former criminal offenders). It operated from 1975 to 1978.³

Under the Job Training Partnership Act (JTPA), the federal government sponsored job training programs for economically disadvantaged workers, including out-of-school youth. After a needs assessment, participants would receive some combination of basic education, job search assistance, classroom training in occupational skills, on-the-job training, or work experience through placement in temporary public-sector jobs. This program operated from 1982 to 1999.4

**Features of Youthbuild and Comparison Programs**

Youthbuild is designed to increase the educational levels of out-of-school youth, make them more employable, and enable them to develop leadership skills and contribute to their communities through construction of low-income housing. A comparison of basic program elements of Youthbuild and the four comparison programs is presented in Exhibit V-1. The exhibits on subsequent pages compare the characteristics of program participants (Exhibit V-2) and the evaluation designs (Exhibit V-3).

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<table>
<thead>
<tr>
<th>Exhibit V-1. Program Profiles</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job Corps</strong></td>
</tr>
<tr>
<td><strong>Goals</strong></td>
</tr>
<tr>
<td>Raise educational level, increase long-term earnings, and reduce negative behavior and welfare dependency.</td>
</tr>
<tr>
<td><strong>Target Group</strong></td>
</tr>
<tr>
<td>Low-income high school dropouts or individuals, ages 16 to 24, needing education or vocational training to complete schoolwork or obtain employment.</td>
</tr>
<tr>
<td><strong>Services Offered</strong></td>
</tr>
<tr>
<td>Basic education, occupational skills training, job placement assistance, residential living, and extensive support services, including health care, counseling, social skills training, and recreation.</td>
</tr>
<tr>
<td><strong>Length of Participation</strong></td>
</tr>
<tr>
<td>8 months average</td>
</tr>
<tr>
<td><strong>Years of Operation</strong></td>
</tr>
<tr>
<td>1964-Present</td>
</tr>
</tbody>
</table>

| **JOBSTART**              |
| **Goals**                  |
| Raise educational level, increase long-term earnings, and reduce negative behavior and welfare dependency. A nonresidential program modeled after Job Corps. |
| **Target Group**           |
| Low-income high school dropouts, ages 17 to 21, who read below the eighth-grade level. |
| **Services Offered**       |
| Basic education, occupational skills training, job placement assistance, and limited support services. |
| **Length of Participation** |
| 12 months |
| **Years of Operation**    |
| 1985-1988 |

| **SWD**                    |
| **Goals**                  |
| Increase long-term earnings and reduce negative behavior. |
| **Target Group**           |
| Low-income high school dropouts, ages 17 to 20, many with criminal backgrounds. |
| **Services Offered**       |
| Subsidized employment in structured, transitional jobs with increasing responsibilities, peer support, and close supervision. |
| **Length of Participation** |
| 12 months |
| **Years of Operation**    |
| 1975-1978 |

| **JTPA**                   |
| **Goals**                  |
| Help participants attain educational credentials and occupational competencies, increase earnings and employment, and reduce welfare dependency and arrest rates. |
| **Target Group**           |
| Low-income young adults, ages 16-21, needing educational and vocational training. |
| **Services Offered**       |
| Basic education, occupational skills training, job search assistance, on-the-job training, and work experience through placement in temporary public-sector jobs. |
| **Length of Participation** |
| 6 months |
| **Years of Operation**    |
| 1982-1999 |

| **Youthbuild**             |
| **Goals**                  |
| Raise educational level and long-term earnings of participants; construct low-income housing. |
| **Target Group**           |
| Low-income high school dropouts or youth needing educational assistance, many with criminal backgrounds. |
| **Services Offered**       |
| Basic education, occupational skills training in construction, and subsidized work experience building and rehabilitating housing. |
| **Length of Participation** |
| 8-12 months |
| **Years of Operation**    |
| 1992-Present |
### Exhibit V-2.
**Characteristics of Program Participants**

<table>
<thead>
<tr>
<th></th>
<th>Job Corps</th>
<th>JOBSTART</th>
<th>SWD</th>
<th>JTPA</th>
<th>Youthbuild</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Age Range</strong></td>
<td>16-24 (18)</td>
<td>17-21 (18)</td>
<td>17-20 (18)</td>
<td>16-21 (19)</td>
<td>16-24 (19)</td>
</tr>
<tr>
<td><strong>Race/Ethnicity</strong></td>
<td>48% African American</td>
<td>46% African American</td>
<td>72% African American</td>
<td>32% African American</td>
<td>Not reported.</td>
</tr>
<tr>
<td></td>
<td>18% Hispanic</td>
<td>43% Hispanic</td>
<td>19% Hispanic</td>
<td>15% Hispanic</td>
<td>50% White</td>
</tr>
<tr>
<td></td>
<td>27% White</td>
<td>8% White</td>
<td>9% White</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7% Other</td>
<td>3% Other</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gender</strong></td>
<td>59% Male</td>
<td>47% Male</td>
<td>88% Male</td>
<td>45% Male</td>
<td>73% Male</td>
</tr>
<tr>
<td></td>
<td>41% Female</td>
<td>53% Female</td>
<td>12% Female</td>
<td>55% Female</td>
<td>27% Female</td>
</tr>
<tr>
<td><strong>Educational Attainment Upon Entry</strong></td>
<td>77% no high school credential.</td>
<td>100% no high school credential, reading below 8th grade level.</td>
<td>100% no high school credential.</td>
<td>55% no high school credential.</td>
<td>91% no high school credential.</td>
</tr>
<tr>
<td><strong>Employment History</strong></td>
<td>Data not available.</td>
<td>47% not employed within last year.</td>
<td>Limited to no employment history.</td>
<td>18% never employed.</td>
<td>91% not employed upon program entry.</td>
</tr>
<tr>
<td><strong>Drug-use History</strong></td>
<td>Data not available.</td>
<td>Data not available.</td>
<td>60% had used marijuana.</td>
<td>Data not available.</td>
<td>38% alcohol/drug use problem.</td>
</tr>
<tr>
<td><strong>Criminal History</strong></td>
<td>27% had been arrested.</td>
<td>15% had been arrested (since age 16).</td>
<td>57% had been arrested.</td>
<td>Data not available.</td>
<td>43% had been arrested.</td>
</tr>
</tbody>
</table>
## Exhibit V-3. Evaluation Designs

<table>
<thead>
<tr>
<th></th>
<th>Job Corps</th>
<th>JOBSTART</th>
<th>SWD</th>
<th>JTPA</th>
<th>Youthbuild</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Participants Included in Study</strong></td>
<td>11,313</td>
<td>2,312</td>
<td>1,252</td>
<td>5,045</td>
<td>846</td>
</tr>
<tr>
<td><strong>Participants in Treatment Group</strong></td>
<td>6,828</td>
<td>1,163</td>
<td>570</td>
<td>3,492</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Participants in Control Group</strong></td>
<td>4,485</td>
<td>1,149</td>
<td>682</td>
<td>1,553</td>
<td>N/A</td>
</tr>
<tr>
<td><strong>Sites in Study</strong></td>
<td>110 sites</td>
<td>13 sites</td>
<td>5 sites</td>
<td>16 sites</td>
<td>20 sites</td>
</tr>
<tr>
<td><strong>Follow-up Surveys</strong></td>
<td>Data collected at intake and 12, 30, and 48 months after intake.</td>
<td>Data collected at intake and 12, 24, and 48 months after intake.</td>
<td>Data collected at intake and 9, 18, 27, and 36 months after intake.</td>
<td>Data collected at intake and for 30 months after intake.</td>
<td>Data collected at program exit.</td>
</tr>
</tbody>
</table>
COMPARISON OF YOUTHBUILD AND OTHER PROGRAMS

Again, in contrast to the other programs examined here, Youthbuild has not been rigorously evaluated. The evaluations of the other programs not only compared outcomes for program participants with those of control groups (composed of nonparticipants), but they collected data on program outcomes from participant follow-up surveys and state-collected wage records. Our qualitative evaluation of Youthbuild relies on reports from 20 program grantees who did not make up a statistical sample. The reports filed by grantees often proved to be unreliable and inaccurate. Therefore, we cannot draw definitive conclusions about the impacts and cost-benefit ratios of the program by itself, let alone in comparison to other programs. We are able to compare the program costs to those of other programs (adjusting for inflation), but any comparison of program outcomes is at best tentative.

COSTS

Youthbuild is expensive relative to other federally funded programs for youth, as shown in Exhibits V-4 and V-6. The average cost per Youthbuild participant, excluding construction costs, is estimated at nearly $15,000. This is comparable to the cost of SWD, which is close to $13,700 per participant in present-value dollars. The fact that both Youthbuild and SWD programs offer subsidized work for participants probably accounts for their relatively high costs. In present-value dollars, JOBSTART and JTPA have considerably lower costs per participant—about $6,000 and $3,900 (maximum) respectively. Job Corps’ costs—$18,480 per participant—are substantially higher than those of all the other programs; this is primarily because it provides participant housing and an array of intensive social support services. However, if the costs of construction are included, Youthbuild surpasses Job Corps in cost per participant.

Program Outcomes

The information gathered through AREA’s research allows us to make rough comparisons of the following across programs: (1) what share of young people obtained high school credentials through the program, (2) what share entered employment, and (3) what share pursued higher education. These data are shown in Exhibit V-7.

Approximately 29% of all participants who entered Youthbuild without a high school credential did succeed in obtaining the credential. Youthbuild’s figure is lower than the percentage of Job Corps (47%) and JOBSTART (42%) participants who attained the credential (see Exhibit V-5). Youthbuild’s 29% is closer to rates achieved by the Job Corps and JOBSTART control groups, where 35% and 29%, respectively, obtained high school credentials.

Although the other employment training programs do not have a housing construction component, it is a key part of the Youthbuild program; therefore, it is appropriate to include the cost of housing construction as part of the total program costs. However, while the new and rehabilitated affordable housing does provide additional benefit and value, those benefits were not considered as part of this evaluation.
Exhibit V-4. Post Program Outcomes:
Average Total Cost Per Participant in 2001 Dollars

Exhibit V-5. Post Program Outcomes:
Obtained High School Credential
### Exhibit V-6.
**Program Costs**

<table>
<thead>
<tr>
<th></th>
<th>Job Corps⁶</th>
<th>JOBSTART</th>
<th>SWD</th>
<th>JTPA⁷</th>
<th>Youthbuild</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Average total cost per participant not including construction costs</strong></td>
<td>$18,480 ($16,500)</td>
<td>$6,094 ($4,548)</td>
<td>$13,677 ($5,010)</td>
<td>$2,660-3,920 ($1,900-2,800)</td>
<td>$14,830 ($13,482.45)</td>
</tr>
<tr>
<td><strong>Average total cost per completer not including construction costs</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$30,160 ($27,418.64)</td>
</tr>
<tr>
<td><strong>Average HUD cost per participant not including construction costs</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$10,626 ($9,660.65)</td>
</tr>
<tr>
<td><strong>Average HUD cost per graduate not including construction costs</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$21,611 ($19,646.42)</td>
</tr>
<tr>
<td><strong>Average total cost per participant including construction costs</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$20,302 ($18,456.33)</td>
</tr>
<tr>
<td><strong>Average total cost per completer including construction costs</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>$41,287 ($37,533.78)</td>
</tr>
</tbody>
</table>

---


⁸ The construction costs, which relate only to Youthbuild, are deducted from the first four cost figures and included in the last two figures.

⁹ All costs have been converted into 2001 dollars. The numbers in parentheses are the original amounts.

¹⁰ HUD did not fund all Youthbuild program costs. Additional funds were raised from other public and private sources.
### Exhibit V-7. Post-Program Outcomes

<table>
<thead>
<tr>
<th></th>
<th>Job Corps</th>
<th>JOBSTART</th>
<th>SWD</th>
<th>JTPA</th>
<th>Youthbuild</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Attained High School Credential (GED or High School Diploma)</strong></td>
<td>47% of treatment 35% of control</td>
<td>42% of treatment 29% of control</td>
<td>Not reported.</td>
<td>30%-39% of treatment 29%-32% of control</td>
<td>29% of participants</td>
</tr>
<tr>
<td><strong>Percent Employed</strong></td>
<td>52% of treatment 54% of control was employed 18 months after random assignment.</td>
<td>72% of treatment 70% of control reported employment during the first year of follow-up.</td>
<td>Members of the control and experimental groups were employed at similar rates, 42% to 51%, respectively, based on short-term follow-up data. 58% of treatment and 50% of control reported some employment later.</td>
<td>Percentages not available. No statistically significant impact.</td>
<td>36% of participants</td>
</tr>
<tr>
<td><strong>Higher Education</strong></td>
<td>Less than 2% of treatment and control completed a two- or four-year degree during the follow-up period.</td>
<td>Less than 1% of the control and treatment groups completed a two- or four-year degree during the follow-up period. This was not a statistically significant number.</td>
<td>Not reported.</td>
<td>Not reported.</td>
<td>12% of participants attended higher education</td>
</tr>
<tr>
<td><strong>Attained Vocational Credential</strong></td>
<td>37% of treatment 15% of control</td>
<td>33% of treatment 17% of control</td>
<td>Not reported.</td>
<td>Not reported.</td>
<td>Not reported.</td>
</tr>
<tr>
<td><strong>Employed in Construction</strong></td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
As Exhibit V-7 indicates, it is very difficult to have a positive impact on the employment levels of disadvantaged youth. Eighteen months after random assignment, over 52% of Job Corps participants were working, but so was 54% of the control group. However, Job Corps participants did have higher earnings than control group members. In the case of JOBSTART, roughly 71% of both the treatment and control groups reported having worked in the first 18 months after follow-up. For SWD, the short-term follow-up data indicated that controls and experimentalists were employed at similar rates ranging from 42% to 51%. In SWD’s long-term follow-up data, 58% of participants reported having worked at some time, versus 50% of the control group. The Youthbuild findings show that 36% of all participants were employed upon completion of the program.

The Youthbuild data show that 12% of participants pursued higher education upon program exit. Data on how many attained a two- or four-year degree are not available. Although comparable data on pursuit of higher education are not available for the other programs, we know that only 2% of Job Corps participants completed a two- or four-year degree during the extended follow-up period.

It is important to remember that Youthbuild data were gathered at program exit, while data on the other programs were gathered up to three years after exit. It is possible that an even greater number of Youthbuild clients obtained high school credentials, employment, and/or higher education within one to three years of exit from Youthbuild. It is also important to note that these studies were conducted at different times; thus, variations in local unemployment rates may well have affected the employment of program participants.

Two key elements of Youthbuild’s program—leadership skills training and the increased supply of low-income housing—are not included in this comparative section of the report. It is difficult to quantify the benefit to participants of having gained leadership skills. And while we were able to determine the number of low-income housing units constructed or rehabilitated by Youthbuild, the other youth employment training programs do not have a similar housing production objective with which to compare. It was also difficult to take into account the impact of Youthbuild’s multiple goals: providing academic instruction, housing construction training, leadership training, employment skills training, and providing affordable housing. While these goals may appear compatible and straightforward, achieving them at a high level within the context of program realities—targeting at-risk youth and working in disadvantaged neighborhoods—can be a challenging and expensive prospect.

Again, because AREA’s scope of work with HUD did not permit the sort of rigorous, long-term evaluation that the other programs were subjected to, it is impossible to draw definitive conclusions about the relative effectiveness of Youthbuild and the other programs.

**CONCLUDING COMMENTS**

Examining the outcomes and related costs estimated by the four comparison studies indicates that it is a very difficult task to exert positive impacts on the employment,
earnings, and educational achievement of disadvantaged youth. Yet, Job Corps, a high-cost program that was subjected to a rigorous, experimental analysis, would seem to have achieved some benefits for disadvantaged youth. Its results indicated that the benefits of intensive intervention exceed the costs of mounting the program.

For a nonresidential program, Youthbuild is relatively expensive (in present-value dollar terms) when compared to the other four programs. And based on a very rough comparison, the GED results and employment rates of Youthbuild participants seem to be, on average, closer to those of the Job Corps control group (those not served) than to those who went through the Job Corps program.

Unlike the comparison programs, Youthbuild has not been rigorously evaluated, so we cannot make definitive claims about its impact and effectiveness. Even if HUD were to invest in a more rigorous assessment of Youthbuild’s cost and effectiveness, such an evaluation would be complicated by the fact that, relative to the comparison programs, there is far less agreement among Youthbuild providers and HUD about what the specific objectives of the program are and how to measure and document the program impacts.
APPENDIX A
RESEARCH DESIGN

SUMMARY

HUD’s key objectives for this assignment were to (1) to describe the national HUD Youthbuild program in terms of funding, numbers of programs, and activities; (2) to identify its overall accomplishments, such as the characteristics and number of youth assisted; (3) to illustrate the extent to which the program promotes employability and economic self-reliance among participants; (4) to provide some evidence for assessing the program’s cost effectiveness; and (5) to compare the program with other youth employment training programs. To achieve these objectives, the research effort attempted to obtain information on Youthbuild programs that were funded between 1996 and 1999.

This evaluation took place from spring 2002 to spring 2003. Refinement of the research design and data collection plan began in May 2002 and on-site data collection began in September and concluded in December 2002.

This appendix provides a detailed discussion of the research design and data collection methods used in this assignment.

PRIMARY DATA COLLECTION METHODS

The primary methods used to obtain data on the Youthbuild program were the following:

- **Literature Review.** We reviewed literature on the Youthbuild Program and other youth work-force development programs. The major purpose of this review was (1) to identify measures used successfully in the recent past to examine other youth work-force development programs and (2) to refine the measures and data collection procedures proposed for the Youthbuild research. The literature review also obtained information on the characteristics, objectives, clientele served, and achievements of other youth training and employment programs that were useful in assessing the effectiveness of the Youthbuild program.

  We also examined the research methods used to assess other youth employment training programs to determine the types of data that would be available for comparison with Youthbuild. The best evidence on the effectiveness of youth training programs comes from intensive, long-term evaluations using experimental methods involving program enrollees and control
groups. Appendix B provides a detailed summary of findings from the literature review.

**Examination of Records Available at HUD Headquarters.** AREA staff also reviewed HUD press releases and accounting division databases to obtain data on Youthbuild program awards between 1993 and 2001, and examined reports filed at HUD Headquarters by Youthbuild grantees from 1996 to 1999. The purpose of this review was to probe the overall scope of the HUD Youthbuild program, its funding, grantee characteristics, youth participant numbers, and housing production levels.

**Site Visits.** Site visits gave us the opportunity to collect more in-depth information on 20 selected programs—including two sites that were examined during an initial reconnaissance phase of the assignment when we tested our data collection procedures. During the site visits, AREA staff members examined program files and conducted discussions with key program administrators, staff, and some program participants. In addition to providing insights into the day-to-day operation of the program, the site visits enabled us to collect program status reports and other documents that are not included in HUD’s Headquarters’ files and to double-check information that was unclear or incomplete in filed reports. This component of the research was critical to accurately assessing program outcomes and costs, which were not consistently reported to HUD.

As shown in Exhibit A-1, AREA developed 15 interview guides for use in collecting information from various categories of Youthbuild staff members, partners, and program participants and alumni. We also developed data collection instruments for use in collecting data on program funding, participant characteristics, and program accomplishments and outcomes. In order to assess characteristics of geographic areas in which Youthbuild programs operate, we developed a form for collecting information on neighborhood characteristics during field surveys of these areas.

**CONSTRUCTION OF THE MASTER DATA FILE**

To assess Youthbuild’s accomplishments, it was necessary to gather data on site. This is because there are no data systems that adequately report on the costs and outcomes of Youthbuild. The project budget accommodated data collection visits to 20 sites; in establishing our selection criteria we strived to achieve a sample that would yield meaningful information and would be as representative of the broader program as was possible.
### EXHIBIT A-1.
### DISCUSSION GUIDES AND OTHER DATA COLLECTION INSTRUMENTS

#### DISCUSSION GUIDES
1. Executive Director
2. Program Director
3. Data Collection Staff
4. Budget/Financial Management Staff
5. Recruiters
6. Academic Instructors
7. Vocational Trainers/Work Experience Coordinators
8. Counselors/Case Managers
9. Job Developers
10. Current Program Participants
11. Program Alumni
12. Employers/Labor Union Representatives
13. Partner Recruiters/Referral Agencies
14. Partner Support Service Providers
15. Partner Education/Training Organizations

#### OTHER DATA COLLECTION INSTRUMENTS
- Statistics on Program Funding, Participants, and Accomplishments/Outcomes
- Neighborhood Description
We first examined the press releases, which provide the most comprehensive list of Youthbuild grantees since the inception of the program. However, we decided that the press releases were an inadequate sampling frame because they were made public immediately after the awards were announced; we could not be certain that contracts were actually executed and that programs were implemented and completed based on this information source. Thus, we thought the best sampling frame available would be hard copy files kept at HUD Headquarters.

We obtained from HUD’s accounting division a list of Youthbuild grantees. This list included all “open” grants awarded between 1993 and 2001. That is, it included only active grants, or grants that had not been officially closed. All closed grants were absent from the register. We used this list because we could be confident that these programs had, or currently have an active HUD Youthbuild program.

From this list, we identified grants awarded between 1996 and 1999 and then requested copies of the HUD files on these programs. HUD had on file 128 records of grants made during this period; this was approximately 56% of all the grants awarded between 1996 and 1999. These records consisted of three primary components:

- **Applications.** The application provides background information on the grantee, describes how they intend to implement the program, and includes a detailed budget on how the funds will be distributed. The application typically includes, in order, the following components:
  - Application for Federal Assistance, HUD form SF-424
  - Acknowledgment letter, if available
  - Application for Federal Assistance Funding Matrix
  - Checklist of Exhibits
  - Exhibit I. Program Summary
  - Exhibit II. Proposed Project Description
  - Exhibit III. Applicant Information
  - Exhibit IV. Program Budget
  - Exhibit V. Statutory Certifications

- **Correspondence.** The correspondence section includes a copy of the signed contract agreement between HUD and the grantee; amendments to the agreement (if any), including grant extension and budget change requests and approvals; cover pages for the progress reports, and all other written communication between HUD and the grantee.

- **Reports.** The final section contains Semi-Annual Progress Reports (HUD form 40201) and a final Performance Evaluation Report. These reports were essential in understanding the accomplishments of a program.
To be sure that the HUD Headquarters’ files were representative of the universe of grantees found in the press releases, we compared the general characteristics of both sets of data (see Exhibit A-2). As the table indicates, the HUD Headquarters’ files are representative of all programs awarded Youthbuild grants.\(^1\) Thus, we felt confident about using the headquarters’ files as the sampling frame for selecting our 20 site visit locations.

HUD headquarters’ files were thoroughly reviewed in order to establish a basis for understanding the program prior to conducting the site visits. More importantly, the file review was intended to be a valuable quantitative and qualitative resource for further analysis. Data sought included: grant amount, program length, location (urban or rural), numbers of proposed and actual participants enrolled and housing units produced, budget details, and contact information.

---

**Exhibit A-2.**
**Comparison Between All Grants and HUD Headquarters’ Files**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $350,000</td>
<td>25%</td>
<td>18%</td>
</tr>
<tr>
<td>$350,000-$550,000</td>
<td>60%</td>
<td>47%</td>
</tr>
<tr>
<td>$550,000-$700,000</td>
<td>15%</td>
<td>35%</td>
</tr>
</tbody>
</table>

| Organizational Type | | |
|---------------------| | |
| Nonprofit           | 72%          | 66%                               |
| Government Agency   | 21%          | 27%                               |
| Educational Institution | 7%    | 6%                               |

| Mean # of Participants | 35 | 32 |
| Median # of Participants | 30 | 30 |

| Mean # of Housing Units | 19 | 20 |
| Median # of Housing Units | 4  | 4  |

*Source: Press Releases

\(^1\) Reviewed HUD files show a larger proportion of grants between $550,000 and $700,000. One reason for this is that for the grants awarded in 1996 and 1997 there were no limits for applicants; thus the amounts tend to be larger. In the following years, new applicants were limited to requesting between $300,000 and $400,000 (see Exhibit I-3, in Chapter 1 for grant amount guidelines by year).
Our aim was to use the data to help us gain a broad understanding of the costs and outcomes of the Youthbuild program in general. However, from this initial examination of files we determined that most of the files were incomplete. Some were missing Semi-Annual Progress Reports, and over three-quarters were lacking the final Performance Evaluation Report—a critical document needed to measure actual costs and accomplishments. Thus, we could not rely on use of HUD headquarters' files to gauge the cost effectiveness of the program. This made the data collected on-site even more important in assessing the cost and outcomes of the individual programs and of Youthbuild overall.

**Selection of Site Visit Locations**

Information obtained from these Headquarters' files was used to guide the selection of field study sites, to identify key topics and reporting categories for use in assessing the program, and to identify contact persons for on-site data collection efforts. The purpose of performing site visits was to collect more in-depth information on 20 selected programs—especially information on program costs and outcomes that were not adequately reported to HUD. During these visits, AREA staff members examined program files and conducted discussions with key program administrators and staff.

We used a variety of criteria and resources in selecting the specific Youthbuild Programs at which we conducted site visits and carried out extensive data collection. We selected 20 site-visit locations, two of which AREA visited during the reconnaissance phase. The reconnaissance examination was used to test our discussion guides to ensure that all the topics were relevant, that important issues were covered, and that questions were phrased in a clear and consistent manner.

**Site Selection Criteria.** Using data collected from our review of Headquarters’ files, we selected a purposive sample of sites that are representative of the program. We began our selection process by identifying approximately 50 programs that met both of the following two criteria:

- They had received funding during the 1996-1999 period.
- They had grants that were currently open—i.e., they had been funded again in 2000 and/or 2001.

See Exhibit A-7 at the end of Appendix A for a list of these sites and their criteria. We focused on the 1996-1999 time period to ensure that the projects we examined would have completed grants and, therefore, completed outcomes and expenditures. Our reason for also requiring a currently open grant was related to the fact that many Youthbuild grant recipients are very small organizations with few staff members—we wanted to be sure that staff who were familiar with the program would be available at the time of our field visit. Although this selection criterion was necessary to ensure
efficient and effective on-site data collection, it may have somewhat biased our sample in favor of successful programs. By selecting only Youthbuild programs that were funded from 1996 to 1999 and again in 2000 and/or 2001, we eliminated grantees who performed so poorly that they could not get a subsequent grant. Ultimately, only closed grants from 1998 and 1999 met these criteria.

To ensure that the site-visit locations were representative of all HUD Youthbuild programs active during the study period, we selected programs in each of the program-size categories—$350,00 or less, $350,001 to $550,000, and $550,001 to $750,000. As shown in Exhibit A-3, the distribution of site-visits locations by size of grant award is roughly the same as that for all grants awarded between 1996 and 1999. Some programs were counted twice because they received grants in more than one award year between 1996 and 1999.

To identify the effects of regional differences in program design and/or operation, our sample reflected nationwide distribution within the universe of Youthbuild program locations. (See Exhibit A-4.) We also selected 17 programs in urban locations and four programs in rural areas. Because HUD has specific funding award criteria to encourage programs in rural areas, we wanted to be sure to include some programs in this category. Of all grants awarded between 1996 and 1999, 96% are in urban areas and 4% are in rural locations.

In addition to these key selection criteria, we included programs with a variety of other characteristics. We selected both programs that had proposed to build new houses (12 programs) and those that planned to rehabilitate existing units (eight programs). The site-visit locations are operated by various types of organizations, including 14 that are run by nonprofit groups, four operated by government agencies, and two operated by academic institutions. We also examined the number of units that each site proposed to construct and selected 15 sites that planned to complete less than nine units, three that proposed to complete 10 to 30 units, and two that proposed more than 30 units. In each instance, the distribution of sites in our sample was very similar to the distribution of all grantees from 1996 to 1999.

Application of the foregoing criteria resulted in the selection of 20 sites for in-depth analysis. Exhibit A-5 provides a list of the HUD Youthbuild programs where we conducted field research and Exhibit A-6 shows the geographic location of each site visit.
Exhibit A-3.
Criteria for Site Visit Selection

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Number of Grants</td>
<td>20</td>
<td>50</td>
<td>128</td>
<td>521</td>
</tr>
<tr>
<td>Program Time Period*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1996 Grant</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>29</td>
</tr>
<tr>
<td>1997 Grant</td>
<td>0</td>
<td>0</td>
<td>8</td>
<td>41</td>
</tr>
<tr>
<td>1998 Grant</td>
<td>5</td>
<td>15</td>
<td>36</td>
<td>67</td>
</tr>
<tr>
<td>1999 Grant</td>
<td>16</td>
<td>40</td>
<td>81</td>
<td>87</td>
</tr>
<tr>
<td>Program Size*</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$350,000 or Less</td>
<td>25%</td>
<td>28%</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>$350,001 - $550,000</td>
<td>60%</td>
<td>44%</td>
<td>47%</td>
<td>60%</td>
</tr>
<tr>
<td>$550,001 - $700,000</td>
<td>15%</td>
<td>28%</td>
<td>35%</td>
<td>15%</td>
</tr>
<tr>
<td>Urban Versus Rural Location</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>85%</td>
<td>94%</td>
<td>94%</td>
<td>96%</td>
</tr>
<tr>
<td>Rural</td>
<td>15%</td>
<td>6%</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Number of Units</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-9 Units</td>
<td>75%</td>
<td>80%</td>
<td>74%</td>
<td>75%</td>
</tr>
<tr>
<td>10-30 Units</td>
<td>15%</td>
<td>16%</td>
<td>19%</td>
<td>15%</td>
</tr>
<tr>
<td>30+ Units</td>
<td>10%</td>
<td>4%</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>Housing Type^</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rehab</td>
<td>40%</td>
<td>46%</td>
<td>41%</td>
<td></td>
</tr>
<tr>
<td>New</td>
<td>60%</td>
<td>54%</td>
<td>59%</td>
<td>NA</td>
</tr>
<tr>
<td>Type of Organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonprofit</td>
<td>70%</td>
<td>70%</td>
<td>66%</td>
<td>72%</td>
</tr>
<tr>
<td>Government Agency</td>
<td>20%</td>
<td>22%</td>
<td>27%</td>
<td>21%</td>
</tr>
<tr>
<td>Learning Institution</td>
<td>10%</td>
<td>8%</td>
<td>6%</td>
<td>7%</td>
</tr>
</tbody>
</table>

* Some sites counted more than once because they received an award in more than one year.
^ Some sites counted more than once because they were doing rehabilitation and new construction.
~ Some sites lacked data so figures and percentages are based on only those sites for which data is available.
Exhibit A-4. HUD YOUTHBUILD SITES, 1996-2002
### Exhibit A-5.
#### Site Visit Locations

<table>
<thead>
<tr>
<th>No.</th>
<th>Organization Name</th>
<th>City/Township</th>
<th>State</th>
<th>Amount</th>
<th>Award Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobile Housing Board</td>
<td>Mobile</td>
<td>AL</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>2</td>
<td>Mid-South Community College</td>
<td>West Memphis</td>
<td>AR</td>
<td>$350,000</td>
<td>1999</td>
</tr>
<tr>
<td>3</td>
<td>Town of Guadalupe</td>
<td>Guadalupe</td>
<td>AZ</td>
<td>$399,950</td>
<td>1999</td>
</tr>
<tr>
<td>4</td>
<td>Century Center For Economic Opportunity</td>
<td>Gardena</td>
<td>CA</td>
<td>$650,000</td>
<td>1999</td>
</tr>
<tr>
<td>5</td>
<td>Southern Ute Community</td>
<td>Ignacio</td>
<td>CO</td>
<td>$336,285</td>
<td>1999</td>
</tr>
<tr>
<td>6</td>
<td>Sasha Bruce Youthwork</td>
<td>Washington</td>
<td>DC</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>7</td>
<td>YWCA of Greater Miami and Dade County</td>
<td>Miami</td>
<td>FL</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>8</td>
<td>Tree of Life Community Development Corp. *</td>
<td>Gary</td>
<td>IN</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>9</td>
<td>Nueva Esperanza, Inc. *</td>
<td>Holyoke</td>
<td>MA</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>10</td>
<td>Neighborhood Info. &amp; Sharing Exchange</td>
<td>Benton Harbor</td>
<td>MI</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>11</td>
<td>Bi-County Community Action Program</td>
<td>Bemidji</td>
<td>MN</td>
<td>$699,998</td>
<td>1998</td>
</tr>
<tr>
<td>12</td>
<td>Housing Authority of St. Louis</td>
<td>Saint Louis</td>
<td>MO</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>13</td>
<td>University of North Carolina-Greensboro</td>
<td>High Point</td>
<td>NC</td>
<td>$300,000</td>
<td>1999</td>
</tr>
<tr>
<td>14</td>
<td>Lincoln Action Program</td>
<td>Lincoln</td>
<td>NE</td>
<td>$350,000</td>
<td>1998</td>
</tr>
<tr>
<td>15</td>
<td>Taos County</td>
<td>Taos</td>
<td>NM</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>16</td>
<td>YMCA of Greater New York</td>
<td>New York</td>
<td>NY</td>
<td>$400,000</td>
<td>1999</td>
</tr>
<tr>
<td>17</td>
<td>Urban League of Rochester, NY, Inc.</td>
<td>Rochester</td>
<td>NY</td>
<td>$350,000</td>
<td>1999</td>
</tr>
<tr>
<td>18</td>
<td>Impact Services Corporation</td>
<td>Philadelphia</td>
<td>PA</td>
<td>$399,085</td>
<td>1999</td>
</tr>
<tr>
<td>19</td>
<td>Gulf Coast Trades Center</td>
<td>New Waverly</td>
<td>TX</td>
<td>$448,690</td>
<td>1998</td>
</tr>
<tr>
<td>20</td>
<td>Southern Appalachian Leadership School</td>
<td>Kincaid</td>
<td>WV</td>
<td>$650,000</td>
<td>1999</td>
</tr>
</tbody>
</table>

* Denotes a reconnaissance site
Exhibit A-6. YOUTHBUILD SITE VISIT LOCATIONS
### Exhibit A-7
Criteria Met by Potential Youthbuild Site Visit Locations

<table>
<thead>
<tr>
<th>No.</th>
<th>Potential Site Visit Location</th>
<th>State</th>
<th>City</th>
<th>Closed Grant Year</th>
<th>Program Size</th>
<th>Urban/Rural</th>
<th>Number of Units</th>
<th>Housing Type</th>
<th>Type of Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobile Housing Board</td>
<td>AL</td>
<td>Mobile</td>
<td>1999</td>
<td>X</td>
<td>U</td>
<td>X</td>
<td></td>
<td>New</td>
</tr>
<tr>
<td>2</td>
<td>Mid-South Community College</td>
<td>AR</td>
<td>West Memphis</td>
<td>1999</td>
<td>X</td>
<td>U</td>
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**Criteria Met by Potential Youthbuild Site Visit Locations**

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<tr>
<th>No.</th>
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<th>Program Size</th>
<th>Number of Units</th>
<th>Housing Type</th>
<th>Type of Organization</th>
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<td>Rehab</td>
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<td>Tree of Life Comm. Dev. Corp.</td>
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<tr>
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<td>Community Action Council</td>
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<table>
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<th>Year</th>
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<th>Urban/Rural^</th>
<th>Number of Units</th>
<th>Housing Type</th>
<th>Type of Organization</th>
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<td>Houma</td>
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<td>Rehab</td>
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<td>24</td>
<td>Neighborhood Info. &amp; Sharing Exchange</td>
<td>MI</td>
<td>Benton Harbor</td>
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<td>Saint Louis</td>
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<td>Trenton</td>
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<th>Type of Organization</th>
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<tr>
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<th>Type of Organization</th>
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<tr>
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<td>Morgantown</td>
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<td>X</td>
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**Selected site visit locations**

**Reconnaissance site visit location**

^Rural as defined by HUD is any place with fewer than 2,500 residents
INTRODUCTION

To address the high rates of joblessness among disadvantaged young adults, the federal government has implemented a number of employment and training programs that specifically target youth. Youth employment programs have come in various forms, with job training as the main vehicle used to prepare young adults for employment. Such programs typically offer some combination of basic education, job readiness, and occupational skills training. While the main purpose of these programs is to increase employment and earnings among participants, there are other important goals, such as reducing crime, drug use, and welfare dependency. Some programs simply provide jobs directly, in order to reduce current unemployment, help participants gain work history and experience, and keep young people engaged in positive activities.

Youthbuild combines work experience with training, thereby providing participants with both immediate employment and training that can raise their long-term earnings potential. Youthbuild is distinctive in that it does not fall under the Department of Labor’s federal job training system but rather is sponsored by the Department of Housing and Urban Development (HUD). HUD was authorized to administer Youthbuild (initially titled “Hope for Youth”) under the Housing and Community Development Act of 1992. Through Youthbuild, HUD makes competitive grants to nonprofit agencies to provide low-income, out-of-school youth with educational opportunities (to help them obtain their high school diploma or GED) and occupational skills training (specifically in construction). Youth participants also work to rehabilitate and build low- and moderate-income housing. Generally, employment and training programs are administered by the Department of Labor; Youthbuild is sponsored by HUD because of its housing construction component.

In evaluating Youthbuild’s success at meeting its goals, it is useful to view Youthbuild in the context of other youth employment programs. AREA has provided a comparative perspective on youth initiatives by reviewing the evaluations of several other youth employment programs. The goal is to enable evaluators of Youthbuild to have realistic expectations about its potential cost-effectiveness, its ability to improve the education, employment, and earnings of disadvantaged youth, and its capacity to affect other important social outcomes.

The best evidence on the effectiveness of youth programs comes from intensive and long-term evaluations using experimental methods. Researchers have conducted such evaluations of Job Corps, the JOBSTART demonstration, the Supported Work Demonstration (SWD), and the youth component of the Job Training Partnership Act (JTPA). This review includes Job Corps, JOBSTART, and the Supported Work Demonstration because they are similar to the Youthbuild program in target population
and in the type and intensity of services provided. The youth component of JTPA is also included because it offers a good comparison with a relatively low-cost and low-intensity program that targets a similar population and shares similar goals. But while JTPA offered participants access to a variety of activities, such as basic education, job search assistance, classroom training in occupational skills, on-the-job training, and work experience, it provided limited hours of community service when compared to the Youthbuild program. Job Corps, JOBSTART and SWD, on the other hand, are long-term, high-intensity programs and provide a far superior comparison to Youthbuild. The primary goals of all five programs are similar: to provide education and training that will raise the educational level and skill competencies of participants and ultimately improve their employment and earnings. The target populations are also similar: disadvantaged, low-income, out-of-school youth. The Job Corps, JOBSTART, and SWD evaluations also share the following research design characteristics: (1) use of micro- or participant-level data that includes extensive information on the characteristics and background of participants as well as the services they received in the program; (2) reliance on “administrative data,” or information on each participant’s wages that is collected by the states (using unemployment insurance records); and (3) use of experimental designs with subjects randomly assigned to control and experiment (or treatment) groups. Of the four comparison programs, only Job Corps is still operating.

The remainder of this review presents descriptions of the four comparison programs, the findings from the evaluations, and the results of a cost-benefit analysis. It also includes a summary of the key findings from the Ferguson, Clay Youthbuild evaluation titled, “Youthbuild in Developmental Perspective: A Formative Evaluation of the Youthbuild Demonstration.” The report, published in 1996, provides detailed descriptions of five demonstration sites. The researchers sought to determine what essential components lead to successful implementation of a Youthbuild site.

Other programs that also target youth but are not included in this review include the Quantum Opportunities Project (QOP) and Youth Corps programs, such as the Urban Corps Expansion Project (UCEP) and the New York City Volunteer Corp (CVC). The Quantum Opportunities Project was an intensive, multi-year program that targeted disadvantaged youth whose families were receiving welfare. QOP was not included in this review because employment is not a main goal of the program and the target population is solely in-school youth. Youth Corps programs are full-time programs that combine work experience and education for young adults between the ages of 18 and 25. The work experience generally comes in the form of community service and participants are paid a stipend. Approximately 80% of participants spend their time in community service and the remaining 20% engage in educational and developmental activities. Youth Corps is omitted from this literature review because the program lacks an occupational skills component, an essential part of the Youthbuild project.

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Job Corps is the largest and most expensive federally run job-training program for youth. Job Corps was established in 1964, making it the longest running of such programs. Job Corps is a comprehensive and intensive program that provides education, training, health care, other services, and a small annual stipend to disadvantaged youth between the ages of 16 and 24 in a residential setting. The idea is to take young people away from disadvantaged inner-city areas and other poor communities and place them in residential facilities with continuous supervision and discipline. Unlike the procedure for other federally sponsored programs that allocate funds through state and local governments, the federal government has retained the responsibility for operating this program, for contracting with providers, and for monitoring the results. Private firms operate a large share of the Job Corps sites. While Job Corps is primarily a residential program, it does have a nonresidential component that offers most of the services received by resident participants. The impacts on participants in the nonresidential Job Corps may be more comparable to Youthbuild impacts; however, data on these participants is insufficient for purposes of comparison.

The most recent findings on the effects of Job Corps come from a long-term experimental study of the program based on a national sample of eligible applicants conducted by Mathematica. Between November 1994 and February 1996 program applicants were randomly assigned to either an experimental or control group and follow-up was carried out over the next 48 months. The entire sample consisted of 15,386 individuals, with 5,977 eligible applicants selected to be in the control group and 9,409 selected to be members of the experimental group. Control group members were not allowed to enroll in Job Corps for three years after application to the program, but were able to enroll in other programs. The data used in the evaluation came primarily from participant interviews conducted during the 48-month period after random assignment. The researchers found that response rates were high and similar for both program and control group members. The study estimated the impacts of participation in Job Corps on three main outcomes: (1) education and training, (2) employment and earnings, and (3) nonlabor market outcomes such as welfare dependency, crime, alcohol and illegal drug use, health, family formation, child care, and mobility.

The main findings of the evaluation are that Job Corps increased the education and training that participants received by about 21%, although control group members also received considerable amounts of education and training. Nearly 93% of the program group engaged in some education or training (both in and out of Job Corps), compared to about 72% of the control group. Job Corps led to significant positive impacts on the rate of GED completion and the receipt of vocational certificates; there was a slight decline in the attainment of a high school diploma, but an overall increase in attaining a high school credential. Job Corps raised the rates of GED completion by 15 percentage

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points (42% vs. 27%), and more than 37% of program participants compared to 15% of control group members reported receiving a vocational certificate. Approximately 8% of control group members reported having obtained a high school diploma, compared to 5% of program group members. Job Corps had no effect on college attendance and completion.

The study also found statistically significant positive impacts on the earnings, employment rate, and time spent employed for participants. By the fourth year of follow-up there was a 12% earnings gain: program group members were earning $16 more than control group members ($211 vs. $195), and they secured jobs with slightly more benefits.

Mathematica researchers found that participation in Job Corps reduced welfare receipts by a statistically significant amount (the estimated average reduction per participant was $640), reduced arrest and conviction rates and time spent in jail (33% of control group members vs. 29% of program group members were arrested over the 48-month follow-up period), and improved participants perceived health status. The evaluation found no significant impacts on the self-reported use of alcohol and drugs, and no impacts on fertility or custodial responsibility.⁴

The evaluators calculated the benefits and costs of the program from the perspective of society as a whole (including participants), from the perspectives of participants, and from the perspective of the rest of society (not including participants). The largest outlays for the program were for program operations, including the room and board provided to Corps participants. The benefits measured included those of increased output resulting from higher productivity levels of Job Corps participants, reduced use of other publicly funded programs and services, and reduced criminal activity.

The findings indicate that, overall, Job Corps is a good investment. Researchers estimated that the gross cost per participant for taxpayers was approximately $16,500. However, this cost was offset by benefits to taxpayers of approximately $13,500 in the form of reduced use of publicly funded programs and services and reduced criminal activity. Thus the net cost to society was closer to $3,000 per participant. The benefits to participants were estimated at $20,000 each. Combining the net benefits to participants with the net costs to society one reaches the conclusion that the net benefits to society were nearly $17,000 per participant. Job Corps participants produced $27,500 more output than their control group counterparts. The increased time that participants spent in employment and training created a larger need for child care, with a cost of about $600 per participant. The output produced during vocational training in Job Corps was estimated at $225 per participant. The value to society from the reduced use of other education and training programs and the reduced crime committed by participants was valued at $2,064 and $1,240, respectively, per participant. Also, the reduced use of public assistance programs was valued at approximately $122 per participant.

JOBSTART

The JOBSTART demonstration was developed and evaluated by the Manpower Demonstration Research Corporation (MDRC) and was implemented between 1985 and 1988 at 13 sites including community-based organizations, schools, and Job Corps centers. The program targeted economically disadvantaged school dropouts between the ages of 17 and 21 who read below the eighth-grade level. JOBSTART was modeled after the residential Job Corps; however, due to the high costs associated with a residential program, JOBSTART was a nonresidential program. Also, due to funding restrictions, JOBSTART was not able to offer extensive support services or an annual stipend. At minimum, participants would receive 200 hours of basic education and 500 hours of occupational training. The four central components that JOBSTART offered to participants were: (1) instruction in basic academic skills; (2) occupational skills training; (3) training related support services; and (4) job placement assistance.

Researchers at MDRC used an experimental design for the JOBSTART evaluation. Upon application to the program, participants were randomly assigned to either an experimental or a control group. Those in the experimental group were given access to the JOBSTART program services; those in the control group were not, although they could receive other services offered in their community.

The evaluation was conducted over four years, but the first 12 months of follow-up can be considered primarily an in-program period (as few individuals participated beyond 12 months) while the remaining three years can be considered primarily a post-program period. JOBSTART significantly increased both the percentage of participants that received some education or training, (94% vs. 56% for the control group) and the number of hours of education or training received (800 for the experimentals versus 432 hours for the controls).

JOBSTART led to a significant increase in the rate at which youth passed the GED examination or completed high school. By the end of the 48 months, 42% of experimentals compared to 29% of controls had received their GED or diploma. Occupational training yielded a 16-point rise in the receipt of trade certificates (from 17% to 33%). Despite the increases in educational and vocational attainments, JOBSTART had no significant impact on the overall earnings of participants during the 48 months. Specifically, experimental group members earned an average of $17,010 over the four-year span, while the control group members earned an average of $16,796. The findings indicate that experimentals earned 1% more than the control group mean, but this was not found to be statistically significant.

The findings also indicate that JOBSTART had no real impacts on employment rates, hours of work, and weeks of work. Overall, during the three post-program years of follow-up, there was no statistically significant difference between experimentals and controls in the percentage employed at some time. Any earnings gains were mainly the

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result of more hours and weeks worked by experimentals, and not of a difference in employment rates. There was no statistical difference in the percentage of experimentals and controls who received public assistance and other public benefits. The rates of pregnancy and childbirth were actually higher for the experimentals than the controls, and the findings indicate that, over the four-year follow-up period, JOBSTART had no statistically significant impact on the marriage rates, arrest rates, or drug use of participants.

MDRC researchers conducted a cost-benefit analysis of JOBSTART to determine the value of the investment in the program. Overall, the costs to operate the JOBSTART demonstration were high—costs to taxpayers were $4,540 and costs to the rest of society were $4,286—while gains for program participants were limited, valued at $254. The cost per experimental generally fell between $4,000 and $5,500; however, there was wide variation among the sites. The average cost per participant was $4,548. From the perspective of the participants, the evaluators concluded that the program reached the break-even point for experimentals at the end of the four-year follow-up period. As a result, there were limited benefits for taxpayers since there were no real reductions in welfare use to offset the government expense. Some non-monetary program effects (such as the value of education beyond that arising from higher earnings, the preference for work over welfare, and the cost of foregone leisure time and activities) were not included in the cost-benefit analysis simply because they could not be assigned a monetary value.

**SUPPORTED WORK DEMONSTRATION**

The National Supported Work Demonstration (SWD) was launched in 1975 to test whether a well-funded and well-designed work experience program could raise the earnings of hard-core unemployed workers. The program placed workers in subsidized construction, manufacturing, business services, and clerical jobs with increasing responsibilities over time, peer support, and close supervision. Young high school dropouts were one of the four target groups included in the demonstration, along with unemployed welfare mothers, drug addicts, and former criminal offenders. Although the program started in the trough of a deep recession, most participants exited during the recovery of 1977-1978.

Mathematica evaluated the youth component of the program separately from the other target groups, using a design that randomly assigned applicants to treatment and control groups.\(^6\) SWD clearly increased the share of dropouts obtaining employment during the program period. During the first three months after enrollment, over 90% of the treatment group had jobs as compared to only 29% of controls. This difference implies that for every nine jobs financed by the program, about six represented increased employment for young dropouts and about three replaced jobs that youth would have obtained in the absence of the program. Another way of approaching this in-program effect is to note that dropout youth produced output valued at over three times

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what they would have earned in the absence of the program; that is, $3,360 in output vs. $974 in lost earnings (1976 dollars), (Kemper, Long, and Thornton 1981).

Unfortunately, these benefits were not enough to offset the program’s high costs. With operating costs at about $4,000 per participant, the program would have had to generate significant increases in post-program earnings or improvements in some social indicators, such as reductions in crime or drug use. The data from the experiment, collected over a 27-month period, yielded little evidence of such additional positive impacts. In one of four follow-up periods, there were modest crime reductions. Furthermore, the control group was able to work and earn as much as the experimental group in the period after the program. There were no statistically significant differences between the average hours worked per month and the average earnings per month for the experimental and control groups. The evaluators found no significant impact on public assistance receipt during the post program follow-up periods. Also, participation in the experimental group did not reduce drug and alcohol use when compared with the control group. As a result, the evaluators found that the social costs exceeded the social benefits of the program for youth.

A more recent study, (Couch 1992) examined the earnings of Assistance to Families with Dependent Children (AFDC) and youth participants in the SWD experimental and control groups data for eight years following participation. While modest, statistically significant gains continued among AFDC women. However, youth in the SWD experimental group fared no better than youth in the control group. It is unclear why youth did worse than AFDC recipients. Among the possible reasons are that the dropouts were an especially hard-to-serve group (30% had been incarcerated) and that they had to work and learn alongside ex-addicts and ex-offenders.

**JOB TRAINING PARTNERSHIP ACT**

Under the Job Training Partnership Act (JTPA), the federal government sponsored job training programs for economically disadvantaged workers, including out-of-school youth. Local Service Delivery Areas (SDAs), which are formed by one or more local governments, received JTPA funds and operated authorized programs. The SDAs would then deliver or contract out services to help workers raise their educational levels, upgrade their occupational skills, and find jobs. The providers of these services tended to be community-based agencies, community colleges, and private for-profit occupational schools. Participants would complete an assessment and would then participate in on or more of the following activities: basic education, job search assistance, classroom training in occupational skills, on-the-job training, and work experience through placement in temporary public-sector jobs.

The Department of Labor funded a national study to determine the impacts of the JTPA program on participants. The researchers recruited 16 SDAs where they randomly

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assigned applicants to either a control or experimental group. The study showed that JTPA increased use of education, training, and employment services. However, impacts on attainment of a GED or high school diploma were modest. Males in the experimental group had slightly lower rates of high school graduation than males in the control group, or about 30 to 37%. For females, on the other hand, JTPA raised graduation rates by nearly 11%, from 32% to 42%. JTPA was not able to successfully reduce the arrest rates of enrollees. Also, there were no significant positive effects on earnings for the experimental group. The overall cost of JTPA is low in comparison to other programs, costing only about $1,900 to $2,800 per enrollee in 1996 dollars; however, despite its low cost, the benefits to youth enrollees do not outweigh the expenditures.

**YOUTHBUILD**

In 1991, Ron Ferguson and Philip Clay conducted a formative evaluation of the Youthbuild Demonstration Project, a limited demonstration program that preceded the Youthbuild Program. They did not report on the net impacts of Youthbuild participation or the cost-effectiveness of the program; however, the evaluation offers valuable insights into key factors that lead to successful Youthbuild sites and it describes how programs were implemented on a local level for a small sample of recipients.

Ferguson and Clay examined five sites over two cycles, with the average cycle lasting approximately nine to 11 months. Except for one of the sites, which had already operated for one cycle, these were all new programs at the sites. The study consists of an analysis of both qualitative and quantitative data. The qualitative data comes from site visits and phone interviews, while the quantitative data is based on five surveys—four completed by participants at different points throughout the program, and one completed monthly by staff members.

The researchers found that participants’ ages fell between 16 and 24 and that they were predominantly African-American and Hispanic. During the second year of the demonstration, 84% of enrollees were males. Generally, programs served cohorts of approximately 25 to 40 participants. During the first and second year of the programs studied, attendance rates averaged 85%. During the second year, participants attended approximately 28 hours per week of Youthbuild activities and were active in the program for an average of 20 weeks. Sites would usually alternate weeks between education and construction training. The average length of stay in Youthbuild during the first year was eight months and during the second year it was six months. There are no common procedures for tracking achievements across the sites; nor are there standardized definitions for outcomes across the sites. In the second year, the only data that was consistent across sites was GED completion. Ferguson and Clay found that GED completion rates were 20% during the second year compared with 23% in the first year. Their research also showed that 34% of trainees who completed the program during the second year were likely to find full-time employment, compared to 26% of enrollees who completed during the first year.

The Youthbuild Demonstration had multiple goals: to increase the educational levels of out-of-school youth, to create more employable individuals, and to provide participants
with occupational skills to enter a trade and increase their earnings opportunities. Sites were mandated to offer youth educational activities for 50% of the time and occupational skills training for 50% of the time, including work experience. The main goals of the construction training component were to:

# Increase employability
# Teach specific skills
# Help young people see and appreciate the value of sustained efforts
# Provide tangible benefits to the community (Ferguson, p. 80)

“Youthbuild’s goal for construction training may be interpreted as one of three alternatives. The first is to produce a ‘job ready’ laborer (Model I); the second is to prepare a ‘semi-skilled construction worker’ (Model II); and the third is to train an ‘apprenticeship worker’ (Model III)….The projects reviewed in the Youthbuild Demonstration are all Model I” (Ferguson, p. 117). Although some of the sites strived to attain a Model II or III design, very few students were able to complete the program at those higher levels. Participants entered the program with varying levels of education and “readiness.” Sites were limited in their ability to meet the many goals of the program. The duration of the program, while lengthy in comparison to other youth-serving programs, is not long or intensive enough to significantly improve the construction skills of the participants.

All of the sites completed some work on community housing, generally on small residential properties, but “none of the sites made a major contribution to local housing needs in terms of volume” (Ferguson, p. 82). However, considering the large demand for affordable housing in the communities, it would be unrealistic to have expected this program to have a major impact. Also, Ferguson and Clay found that Youthbuild sites were unable to develop close, substantive working relationships with community development corporations, which are major providers of affordable housing in these communities. While classroom training was a critical component of the program, its duration and intensity was not sufficient for students to acquire high levels of skills. Thus, when working on projects, staff were required to be especially cognizant of the quality of the work of the students.

A key drawback of the report was the inability to conduct a true cost-benefit analysis. Clay and Ferguson found it impossible to determine the true cost to administer the program because of undocumented time spent by staff, a range of in-kind contributions available, costs that were spread among a wide array of sources, and because the construction projects were not comparable.

Using the data from the surveys administered to program participants, the researchers developed baseline measures to explain relationships, attendance rates, positive completion, and GED attainment. Ferguson hypothesized that the more ready a participant is to enter the program, the more likely s/he will become engaged and experience personal development. Thus the key concepts here are readiness, engagement, and development. Ferguson attempted to create measures to explain these relationships and to predict outcomes for participants.
Finally, Ferguson and Clay distinguished eight factors that are critical to the success of the Youthbuild program. Of the sites evaluated, the strongest provide the following conditions and services:

1. Strong commitment to the Youthbuild model and philosophy
2. Basic skills education, GED preparation, occupational skills training in construction, counseling, leadership training, community service, and respect for youth
3. Executive leadership sufficiently qualified and devoted to perform all the core duties required (including internal management and fund raising)
4. Quality leadership – the executive director and program managers had a wide range of responsibilities, and sufficient time for planning
5. Suitable construction site for training participants
6. Freedom from inappropriate constraints
7. Adequate and flexible funding
8. Recruitment, screening, and selection criteria and methods that produce a cohort of participants who want to participate in the program; directors and staff who are concerned and friendly, and encourage personal growth of the participants and help youth develop into productive citizens. (Ferguson, p. 370-1)

These features were common to the most successful of the sites and prove to be critical to the implementation of a strong Youthbuild program. While Ferguson and Clay found positive outcomes for participants who enrolled in Youthbuild, based on their study it is not possible to determine whether the benefits outweigh the costs of the program.

**SUMMARY OF FINDINGS**

Many high-cost, high-intensity programs have been attempted to improve the employment prospects of disadvantaged young adults. Key outcomes used to measure the success of a program include rates of participation, GED or high school diploma completion, vocational certificate completion, reductions in criminal activity and welfare dependency, improved employment rates and earnings, and the value of output produced by participants, both during and after the program.

The findings from the studies of four federally funded programs for youth—Job Corps, JOBSTART, Supported Work Demonstration, and the youth component of JTPA—indicate that it is extremely difficult to improve the employment, earnings, and education rates of disadvantaged youth. Job Corps, which was subjected to a rigorous analysis, shows that even high-cost programs are able to achieve some impacts on youth. Lessons from Job Corps imply that an intensive intervention can yield more benefits than its costs. Job Corps was found to increase the education and training that participants received, increase participants’ rate of attaining a high school credential, increase earnings, reduce welfare dependency, reduce arrest and conviction rates and time spent in jail, and improve participants’ perceived health status. The study found no significant impacts on college attendance and completion, the self-reported use of alcohol and drugs, fertility, or custodial responsibility.
JOBSTART’s attempt to create a program similar to Job Corps did not yield the same positive results, suggesting that the intensity of Job Corps’ residential model may be the key to its success. JOBSTART did significantly increase the education and training that participants received, led to a significant increase in the rate at which youth passed the GED examination or completed high school, and increased receipt of trade certificates. However, JOBSTART had no significant impact on the overall employment rate or earnings of participants during the follow-up. There was no significant decrease in welfare dependency, or positive impact on pregnancy, childbirth, marriage rates, arrest rates, or drug use of participants.

Supported Work Demonstration, a program that placed youth in subsidized jobs with limited support services, clearly increased participants’ rate of employment while in the program, but did not improve post-program employment rates. There was no significant impact on public assistance receipt or reduction in drug and alcohol use.

JTPA increased participants’ use of education, training, and employment services. However, there were only modest impacts on attainment of a GED or high school diploma and no significant positive effects on earnings. JTPA was not able to successfully reduce the arrest rates of enrollees.

The main finding of the 1991 Youthbuild study (which, unlike others examined here, did not use experimental and control groups) are: (a) participants entered the program with varying levels of education and readiness, (b) sites were limited in their ability to meet the many goals of the program, and (c) the program is not long or intensive enough to significantly raise the construction knowledge of the participants. The authors concluded that the Youthbuild sites studied did not produce well-prepared construction workers, but “apprenticeship workers.” All of the sites completed some work on community housing, but did not make a major contribution to local housing needs.
REFERENCES


