



Turning Knowledge into Action *LISC's Research Roadmap*

David M. Greenberg
Director of Research & Evaluation

Patricia Voltolini
Senior Research Associate

Francisca Winston
Senior Research Associate

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I. Introduction

LISC's work stems from evidence-based strategies to promote equity and opportunity. We *empower people*, by using [programs](#) that lead to careers in high-growth industries. We help *transform places*, by planning with neighbors to direct substantial and comprehensive investments to build on neighborhood strengths and [address community challenges](#). We *support enterprise* by [connecting entrepreneurs to capital and local talent](#), and promote *systems innovation* by building [networks of community organizations](#) that can break down silos and advocate for reform and change.

LISC's Research and Evaluation division seeks to understand strategies that can impact our nation's equity and opportunity gap, by using methods that are rigorous, transparent, and participatory.

These strategies are particularly important given this country's significant and often-growing challenges around equity and opportunity, which have been exacerbated over time by changing economic conditions, by shifts in public policy, and by institutional racism and segregation. LISC's Research and Evaluation division (R&E) seeks to understand strategies that can impact our nation's equity and opportunity gap, by using methods that are rigorous, transparent, and participatory. R&E lifts up innovation throughout the network so as to build an evidence base for scaleable solutions to long-standing challenges. And it supports the work of LISC's local offices and national programs so we have the best available evidence to inform strategy and policy recommendations, and hold ourselves accountable over time.

In 2019-2020, R&E will release the following studies or partner with external researchers on the following topics that build on past evidence and seek to address new solutions to pressing issues in community development:

- **Empowering people.** Building on past research documenting positive employment and asset-building outcomes in our Financial Empowerment Centers (FOCs), R&E will provide a new analysis of FOC outcomes, based on LISC's recent work to help individuals take advantage of skills training that will lead to career ladders. We will also publish a white paper on how to better connect local residents to nearby industrial and manufacturing jobs.
- **Transforming places.** Building on evidence that the Building Sustainable Communities approach has led to community change, R&E will publish a study on how communities can successfully engage "anchor institutions" to benefit residents and promote the sustainability

and equity of nearby revitalization efforts. We will also develop a white paper on how to measure the impact of arts-driven community development, known as Creative Placemaking, in local transformative efforts.

- **Supporting Enterprise.** Manufacturing remains a vital part of the American economy. In 2019-20, LISC R&E will be examining how public and private sector actors come together to support the growth of manufacturing districts, and the short-term outcomes of these efforts in terms of job creation and job access for local residents.
- **Driving systems innovation.** At this moment, innovations at the community level may lead the way for broader national discussions about opportunity and equity. In 2019-20, R&E will be producing white papers on scaling up Community Land Trusts as an anti-displacement strategy, and ways that neighborhood organizations promote resilience among immigrant communities during a time of federal policy change, among other studies. We will also develop impact papers on how LISC has contributed to systems change at the local level, and a white paper on ways to measure and assess capacity-building with community organizations.

The remainder of this roadmap:

- Describes recent research as to how communities provide a platform for opportunity
- Describes the evidence basis for LISC's current strategies and provides more detail as to where knowledge still needs to be built; and
- Reviews our methods for helping turn knowledge into action.

II. How communities provide a platform for opportunity

Our country is now experiencing significant and often growing gaps around equity and opportunity – related to family income and wealth; health; experiences of safety and criminal justice; and housing and homelessness, among other issues. Race and institutional racism can drive these disparities, just as public policy can play a critical role in promoting greater equity. At the same time, an increasing body of research has demonstrated how communities may mitigate or exacerbate inequality, and how neighborhoods can provide a platform to promote opportunity for their residents.

Research has increasingly demonstrated how communities may mitigate or exacerbate the disparities our country now faces, and how neighborhoods can provide a platform to promote opportunity for their residents.

For example, public policy, race and place all have contributed to changes in economic mobility and wealth transmission since WWII. Whereas more than 90 percent of children born in 1940 grew up to earn more than their parents, a child born in 1985 [had about a 50-50 chance of doing better economically](#). As a result, the United States has [some of the lowest rates](#) of mobility in the developed world. Black households' median income is currently about 60 percent of white households', and their median net worth is only 10 percent of that of white households. But community plays an additional role in outcomes over and above these forces. Controlling for other factors, recent research has found that African-American children are more likely to succeed in neighborhoods [where other African-American families are doing better economically](#).

As it pertains to housing, the lowest-earning fifth of US renters spend over half their income on housing and [have about \\$15 a day](#) remaining for all other expenses, including food, clothing, medicine, and transportation. These effects are exacerbated by regional disparities, and by cycles of disinvestment and gentrification which manifest at the community level, resulting in a dynamic where in nation's hotter real estate markets, such as the Bay Area, a household would need to earn nearly \$100,000 a year to afford a typical apartment, and in New York State a renter would need to work 115 hours a week at minimum wage to afford a two bedroom rental. Due to these escalating pressures – which stem not just from rising costs but stagnant wages and rising inequality – [there were over 2.3 million eviction filings in 2016](#), and approximately 1.4 million households in 2017 had been forced out of their past homes unwillingly in the previous two years. The bulk of this displacement [appears to be concentrated within low-income communities of color](#).

Community characteristics help explain outcomes in a large host of other issues. In education, over and above the effect of family background, living in neighborhoods with under-resourced schools can impact student performance. For example, in Chicago, researchers found that living in a neighborhood of concentrated disadvantage appears to impact verbal test scores – [the equivalent of missing one or two years of school](#). As related to health, while the overall life expectancy gap between black and white Americans has closed in recent years, blacks in every age group under 65 have higher death rates than whites, [and the difference in life expectancy between neighborhoods is often striking](#). Starkly, researchers have found that over one in five black men born to the lowest fifth of earners may be incarcerated on any given day. But on the whole, communities where racism is less and which have a higher proportion of black fathers living with their children, [have lower incarceration rates](#).

III. Intervening at the community level

Community development is deeply concerned with interventions to promote equity and opportunity at both a neighborhood level, and at the level of public policy. It does so by investing in a targeted and catalytic way, by creating and supporting local partnerships, and by engaging residents in the process of systems change. These historic emphases of the field are reflected in LISC's recent strategic framework, which focuses on *empowering people, transforming places, supporting enterprise, and driving systems innovation*.

- To **empower people** LISC invests in job skills training and career development, financial coaching, educational facilities, and access to healthcare, healthy foods and recreation.
- To **transform places** LISC invests in affordable housing preservation and production, as well as commercial, industrial and community facilities and the districts that contain them.
- To **support enterprise**, we loan to small businesses and support the capacity of community-based organizations.
- To **drive systems innovation**, we advocate for public and private resources that support communities at the national, state and local levels.

These methods draw on proven strategies – evidence both about the impact of our own work and similar kinds of initiatives.

Empowering people. LISC R&E [found](#) that our Financial Opportunity Centers, which combine employment assistance, financial coaching and access to public benefits, had a 74% placement rate and significant job retention, and that nearly three-fifths of those who started with zero or negative net income moved to positive net income. An external evaluator also [analyzed](#) the positive impact of our financial coaching on a host of outcomes, such as the likelihood of year-round work and improved credit scores. Duke University researchers recently evaluated LISC's innovative approaches to improve retention in financial coaching services, using behavioral economics insights, and found that our approaches were impactful in keeping people engaged with a financial coach through a [rigorous evaluation design](#).

Transforming places. LISC R&E found that comprehensive and concentrated LISC investments can catalyze increased community-level income, and other neighborhood-level improvements. A [study](#) we conducted in 2014 showed a 9% rise in median income in neighborhoods which received substantial LISC investments. This evidence builds on external research that shows the impact of scaled-up community development activities, such as was conducted to understand the impact of public sector investments and LISC-supported work in [Richmond](#).

Supporting enterprise and driving systems innovation. MDRC's long-term [evaluation](#) of LISC Chicago's New Communities Program found that our investments helped strengthen the capacity of CBOs to carry out comprehensive community development work, and in doing so leveraged substantial additional funding for neighborhoods in diverse areas of the city. Similarly MDRC's

research tracking [organizational networks](#) shows how LISC's approach [can strengthen the social fabric of communities](#). This evaluation builds off a body of [evidence](#) that shows how neighborhood-level social cohesion and a strong political neighborhood infrastructure can result in low-income communities achieving better health and safety outcomes.

IV. What questions remain, and how are we answering them?

While these studies represent a strong foundation of evidence for LISC's work, important questions remain. These questions especially relate to how to take promising initiatives to scale – that is, how to replicate good results in order to influence the opportunity and equity gap in neighborhoods across the country. Some examples of questions in each of the areas of LISC's strategic framework are described below, as well as more detailed information about Research and Evaluation's upcoming studies.

Important questions remain about how to intervene so as to improve equity and opportunity in America's communities. These questions are especially concerned with taking promising initiatives to scale – that is, how to replicate good results in order to influence the opportunity and equity gap in neighborhoods across the country.

Empowering People. [A promising approach](#) to economic empowerment is to connect individuals with higher-paying jobs, by training them for sectors in health, construction, or manufacturing in a way that is deeply responsive to employer needs. However, many individuals – often those with the most need for stable employment – lack the educational credentials or stabilizing support to be able to take advantage of these training programs. LISC's new model, called [Bridges to Career Opportunities \(BCO\)](#), is one of a host of initiatives that attempt to create “bridges” to let individuals access training programs and the career ladders that may serve them and their families over time. *What impact do these “bridge” programs have, and what can we learn about their effective implementation?* In 2019-2020, LISC R&E will be examining outcomes in our BCO programs, complementing an external evaluation now being conducted by Abt Associates

Another question for the field relates to the need to create living wage jobs in cities and rural areas, and how to connect local residents to these jobs. LISC has recently invested in multiple efforts to build up local manufacturing, as a pathway to quality jobs and to support local economies as a whole. But the status quo around the country is that few residents from surrounding communities are employed in industrial districts, even though the neighborhoods which border industrial districts

are often some of the most distressed in a city or region. For example, in a burgeoning manufacturing district in Indianapolis which currently contains about 1700 jobs, only about 60 were recently filled by residents of the surrounding community. *How can policy and practice help correct this common dynamic?* An upcoming report on this topic is described in the text box below.

Linking local residents to revitalized industrial and manufacturing districts

The viability of manufacturing as an industry depends on the availability of skilled labor. In the past recent years a growing number of jobs throughout the country have gone unfilled, representing a lost opportunity for businesses and for long-time city residents who might access them. Despite local efforts to promote manufacturing and industrial districts, there have been few policy explorations of how to integrate district-promotion with local workforce development efforts. How can investments in industrial districts be linked to programs designed to train low-income residents of surrounding communities? A forthcoming research brief will explore emerging and promising strategies based on cases drawn throughout the country.

Transforming Places. Research (described above) shows that community development investments can influence outcomes at the neighborhood level, but they need to reach a certain intensity or scale in order to do so. *In an era of uncertain funding for housing, safety, and other social service initiatives, how can new partners be engaged to commit the resources required to make a difference?* In recent years, LISC has increasingly focused on partnerships with “anchor institutions,” such as universities, large cultural centers, and medical campuses, [as shown in our recent partnership with ProMedica in Toledo](#). Anchor institutions often have substantial resources, but experience their own kinds of pressures, and their interests are not always aligned with community concerns. *How can community partners find common interest with their institutional neighbors, in a way that benefits the neighborhoods in which they operate? What are the impacts of these investments on neighborhood revitalization, and how can they advance equity over the longer-term?* To answer this question, LISC R&E is conducting a mixed-methods impact study of work it supported in South Minneapolis – where community groups, local foundations, the public sector, and a local hospital came together to improve health, safety, commercial corridors, and affordable housing options. The study will be released in 2019.

Supporting Enterprise. Manufacturing remains a vital part of the American economy. Despite job losses suffered during the Great Recession of 2007-2009, the industrial sector has experienced slight but consistent growth employing 12.75 million workers and generating \$2.3 trillion in GDP with broader spillover effects throughout the economy. This growth, however, has been unevenly shared throughout the country, with some places experiencing significant losses in manufacturing jobs. In fact, in many cities, industrial districts have been gradually rezoned in response to residential and commercial market pressures. With increased demand from non-industrial uses, building and land prices have increased, often displacing industries that cannot afford to match the prices paid by residential or retail developers. *In this context, how can public and private sector actors come together to support the growth of manufacturing districts? What are the outcomes of these efforts in terms of job creation and job access for local residents?* LISC R&E is currently examining efforts to support industrial and manufacturing districts in Jacksonville, Duluth, Indianapolis, and New York City, among other places, as a way of monitoring and understanding the long-term impacts of these initiatives.

Driving systems innovation. Cities around the country are wrestling with strategies to combat displacement, but are often limited in tools to enact them. One promising strategy involves creating or scaling-up Community Land Trusts (CLTs). CLTs are organizations or programs which hold land and govern the terms around which owners or tenants can use it. CLTs are lauded for creating permanently affordable housing, as well as building a constituency for the sustained community ownership and stewardship of this valuable resource. At the same time, most land trusts are relatively small compared to the scale of housing need. In order to build and support their viability over time, public policy needs to change so as to create new pipelines of properties and resources, to grow not just CLTs but the affordable housing sector more broadly. A [recently-published policy brief](#) asks *how partnerships between CLTs and community development institutions can scale-up and sustain land trusts so as to begin to impact displacement at the neighborhood level.*

Finally, changing public policies at the federal level can impact the communities with which we work. One such area of change at the federal level has related to immigration policy, shown in an upcoming brief and described in the text box below.

These examples are just some of R&E's upcoming research projects. Because LISC touches so many areas of importance for communities and public policy, R&E is engaged with our local offices and partners on topics ranging from [climate resilience](#) to [community service](#).

Supporting the resilience of immigrant communities

For as long as immigrants have come to the United States, immigrant-serving and immigrant-led organizations have provided them direct support, advocated for their rights and needs, and connected them to public benefits to which they are eligible. These roles are especially important during moments of strain or challenge, such as those that occur as a result of changes to federal policies affecting immigrants and their families. A just-published [research brief](#) seeks to understand the impact of these policy changes not just on immigrants, their families, and the communities in which they live but upon the local institutions that support them. Based on interviews with practitioners in Chicago, Houston, Kansas City, Los Angeles, and New York who serve varied ethnic neighborhoods, the brief explores how organizations have responded so as to support the resilience of immigrant communities.

V. Turning knowledge into action: methods

LISC R&E seeks to understand our impact and those of our partners, by using methods that are rigorous and transparent. To understand our impact on people, we use quasi-experimental or experimental designs to understand the “counterfactual,” or what would have happened to an individual in the absence of an intervention. We also conduct implementation research to understand *how* to achieve desired impacts, and the ways that local context matters. To understand our impact on places, we conduct analyses such as spatial regressions, and employ other statistical methods to understand how trends in our neighborhoods diverge from comparable areas in the same city. To understand our impact on systems, we develop new indicators to measure partner capacity and employ social network analysis to understand how patterns of partnerships change over time.

Just as importantly, like the rest of LISC, R&E acts in partnership – engaging local communities to ensure that our work responds to the questions they need answered. We partner with local offices to be sure that research and the implications we draw from it are grounded in multiple, diverse contexts. We work with our Policy team to make sure that our proposals to support low-income urban and rural communities are shaped by the more powerful evidence. And we work with community organizations throughout the research process, from research design to the point of understanding policy implications, so that together we can help turn knowledge into action. For more information and additional resources from R&E, please see [our resource page](#).