The Power of Place:
Evaluating Policies to Transform Distressed Urban Neighborhoods

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Prepared for Johns Hopkins University
21st Century Cities Initiative

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Conditions in inner city America were grim in the closing decades of the 20th century. The national violent crime rate was at an historic high, topping 750 crimes per 100,000 people in the early 1990s. Crime rates in many large cities had reached epic proportions, with over 50 homicides per 100,000 residents in cities like Baltimore, Detroit, and Washington DC.1 Within these cities, violence was concentrated disproportionately within poor, minority neighborhoods, whose residents bore the lions’ share of the personal and social costs of violent crime. The concentration of poverty in urban America was also at an all-time high. The number of Americans living in high-poverty areas doubled between 1970 and 1990, by which time one in three poor black children lived in high-poverty neighborhoods (Jargowsky 1997). We were a nation divided along racial and economic lines, and a majority of Americans listed adverse conditions in urban America as the most important problem facing our country (http://www.gallup.com/poll/1603/crime.aspx).

Since then, there has been an uneven reversal of fortunes for our nation’s most distressed urban neighborhoods. Violent crime rates plunged, falling by over half to a historic low of 365 per 100,000 residents in 2014, a decline that was shared across many cities (Blumstein and Wallman 2006). Concentrated poverty also plummeted, falling by 25% during the 1990s (Jargowsky 2006). Middle-class Americans once again chose to live in some cities, and the once-depleted populations in those places surged during the 2000s, reversing a decades-long trend of depopulation (Frey 2012).

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1 Authors’ tabulations from http://www.ucrdatatool.gov/Search/Crime/State/StateCrime.cfm
Despite these improvements, the gains of the late 20th century were shared unevenly, and many signs of progress have stalled— or even reversed—in many inner-city neighborhoods over the last decade. Concentrated poverty grew again during the 2000s, with the number of high-poverty neighborhoods doubling between 2000 and 2013 (Jargowsky 2015). The mass-incarceration approach to crime control has produced distressing collateral consequences for families and communities whose ranks of young men have been depleted (Wildeman and Muller 2012). The Great Recession of 2008-2009 highlighted extreme and persistent wealth inequality in America and the economic segregation that it has produced (Bischoff and Reardon 2013; Saez and Zucman 2014). And, as tragic events in cities like Baltimore and Ferguson have made clear, racial inequality remains pervasive and many poor, minority Americans continue to live in conditions of great adversity.

There is little consensus about the reasons why conditions in urban America have changed so dramatically in recent decades, but it was likely a combination of macroeconomic and demographic forces mixed with a healthy dose of public policy intervention. Our goal in this paper is to outline the major place-based policy interventions that have targeted distressed urban neighborhoods. By “place-based,” we mean policies that target interventions and investments within certain geographically-defined areas (typically neighborhoods, but sometimes the geographic scale is a bit smaller or larger than a neighborhood). The Obama Administration has made place-based policymaking a federal priority by incentivizing government agencies to adopt place-based approaches and by encouraging intra-agency coordination in the targeting of particular areas (https://www.whitehouse.gov/blog/2010/06/30/place-based-investments).

We focus on three domains of policy in this review that are particularly important arenas for place-based policymaking in disadvantaged urban neighborhoods: economic development,
housing, and crime prevention. We only include policies and interventions that are explicitly placed-based, in that they operate within delimited small geographic areas. (For example, a financial aid program that affects all low-income students or a housing program that builds housing throughout the city would not be considered place-based and would not be included in our review.) We also focus on policies and programs that have been evaluated via rigorous experimental or quasi-experimental research designs that aim to identify causal effects, but we bring in additional information from implementation studies or other observational research to supplement the causal analyses. We conclude by discussing directions for future research and policy, with the goal of improving economic opportunity, community safety, and housing quality within our nation’s most troubled communities.

1. ECONOMIC DEVELOPMENT INITIATIVES

Place-based economic development policies are typically motivated by equity concerns for people in poor places who are disconnected from local labor markets. These policies offer incentives for business to locate in communities where there are historical patterns of underinvestment, create jobs for community residents, or build human capital by investing in education and training programs. By directing incentives and resources to these distressed areas, communities can be revitalized, jobs can be created for local residents, and residents can develop the human capital needed to boost their economic opportunities, resulting in positive “agglomeration” effects that increase the efficiency and productivity of those places (Moretti 2010; Jacobs 1961; Neumark and Simpson 2014). Although they target particular communities, such policies may also yield positive spillover effects for cities as a whole (Glaeser and Gottlieb 2008).
Economic theory provides some caveats about the utility of directing resources at targeted geographic areas, however. Spatial equilibrium theory suggests that subsidizing poor places should lead to higher prices and the movement of people into economically unproductive areas (Glaeser and Gottlieb 2008). If prices rise, the net financial benefits of increased economic activity will be reduced. People can also move in and out of zones targeted for economic improvement as prices rise or as opportunities increase in that area, so the original residents of targeted communities may not wind up benefiting from the incentives geared toward them. Finally, the incentives to locate businesses within particular areas may depress economic activity in other areas where businesses may have located in the absence of any incentives. Thus, the potential benefits of place-based economic development on employment must be weighed alongside other potential effects on prices, migration flows, and potential positive or negative spillover effects on other neighborhoods. Below, we review the research evidence on the effectiveness of geographically-targeted supply side policies, which aim to spur economic activity by offering incentives to businesses to locate in and hire from particular areas, and human-capital policies, which aim to improve the skills and employment prospects of residents within targeted geographic areas.

**Supply-Side Policies**

**Federal Empowerment Zones and Enterprise Communities**

Empowerment Zones (EZs) and Enterprise Communities are one common strategy for enhancing the economic vitality of places. Created by the federal government the 1990s, these programs selected groups of census tracts with high levels of poverty, unemployment, and

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2 Round 1 entailed 11 Empowerment Zones and 66 Enterprise Communities, and in round 2 20 more of each. There was a third round of Empowerment Zones in 1999 and the creation of “Renewal Communities” in 2000 that involve only wage credits and tax investment incentives. Zone designations expired in 2014 (http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/economicdevelopment/programs/rc).
economic distress, and offered firms federal tax credits in exchange for hiring zone residents. Both programs gave employers a tax credit for hiring zone residents who were between the ages of 18 and 24, and both allowed states to issue tax-exempt bonds in the zone area. Empowerment Zones offered much larger grants than Enterprise Communities, however, and also allowed some “Sec. 179 expensing,” which permitted firms to write off a portion of the cost of acquired assets.

The EZ program contained tax credits to firms employing workers who lived and worked in designated zones, along with Social Service Block Grants that could be used to facilitate local investments in infrastructure, youth services, or training programs. In general, evaluations of EZ policies have focused on employment, and sometimes earnings, outcomes, as well as potential spillover effects of the policies on prices. Busso, Gregory, and Kline (2013a, 2013b) examined the effects of the federal Empowerment Zone program on jobs, wages, rental prices, and home prices from 1990 to 2000, in the first six sites that received the designation (which were located in Atlanta, Baltimore, Chicago, Detroit, New York, and Philadelphia/Camden). Using a quasi-experimental approach comparing census tracts located in EZs to similar tracts in rejected EZ applicant zones and later-round zones, the authors found increased employment in zone neighborhoods and increased earnings for zone residents working in the zone. They estimated that total worker earnings increased by $296 million per year, while self-reported aggregate housing wealth increased by roughly $1.35 billion. Rents also rose by $5.5 million per year, however, which reduced the net amount of increased income available to zone residents from their employment and earnings gains. Thus, on average zone workers came out ahead financially, but zone residents who did not work or who worked outside the zone may have experienced cost-of-living increases.
The Busso et al. study did not directly measure the mechanisms that produced the changes they found, but the implicit mechanisms are fairly clear: the tax credits allowed firms to create jobs in the distressed zones. The authors suggest that both the tax credits and the block grants played a role, as employment also increased for zone residents who worked outside the zone, even though the tax credits were only for hiring zone residents working within the zone.

The most common use of the block grant funds was to enhance access to capital, which typically involved one-stop “capital shops” that trained local entrepreneurs to develop business plans and apply for loans. It is important to note that the first six zones were very distressed areas with poverty rates all north of 40%, and sometimes north of 50%. This may have insulated the areas from more substantial price increases because people may have been particularly reluctant to move into these areas.

Only a handful of studies have examined the broader implications of EZ policies on non-economic outcomes. For example, to our knowledge there are no studies that have examined whether the economic impact of EZ policies had broader positive spillovers on the quality of housing or neighborhoods. In an attempt to address the broader welfare implications of EZs, Reynolds and Rohlin (2014) estimated changes in “quality of life” in EZ neighborhoods (measured by what individuals are willing to pay to live in the area), but they did not measure the specific characteristics of neighborhoods that contributed to a greater “willingness to pay,” nor did they measure the specific aspects of resident wellbeing that improved as a result. In one of the only papers to our knowledge to examine the non-economic impact of EZs, Grossman (2015) conducted a difference-in-difference analysis of the first six EZ sites and found that EZ implementation resulted in significant reductions in fertility rates and improved birth outcomes (i.e. a lower incidence of low birth weight).
There are several caveats to add to this body of literature that has identified positive
effects on economic outcomes, and possibly noneconomic outcomes, for residents within EZ
sites. A recent paper by Hanson and Rohlin (2013) used a matched-comparison difference-in-
difference analysis and found negative spillover effects on neighborhoods surrounding EZs, with
reductions in the number of employed residents and the number of establishments. The
magnitude of these negative spillovers offset the positive effects within the EZ tracts, suggesting
that the policy induced a spatial reallocation of jobs rather than the creation of new jobs.
Additionally, Reynolds and Rohlin (2013) examined the distributional impact of EZ policies,
looking for heterogeneity in the types of residents who benefited from EZ programs. Although
average employment, wages, and incomes increased, these economic benefits were confined to
highly-skilled workers; there were no economic gains for low-skilled workers, and even some
evidence that extreme poverty (less than half the poverty line) grew. They also found that some
of the economic gains they observed were due to in-migration of highly-skilled workers,
suggesting that some of the economic gains of EZs were due to compositional changes in the
neighborhood population, rather than real economic gains among original zone residents.

France implemented a similar, but more expansive, enterprise zone program in the late
1990s that designated 44 disadvantaged neighborhoods across France as Urban Revitalization
Zones (Zones Franches Urbaines, or ZFUs), based on their population demographics and
employment characteristics. The selected neighborhoods received substantial tax breaks in
exchange for hiring employees from within the neighborhood. Quasi-experimental evaluations,
which used difference-in-difference models to compare the ZFUs to similarly-disadvantaged
neighborhoods that were not selected for the program or that were selected during future funding
rounds, found small short-term positive effects on firm and job creation rates and unemployment
(Gobillon, Magnac, and Selod 2012; Rathelot and Sillard 2008; Mayer, Mayneris, and Py 2013; Givord, Rathelot, and Sillard 2013; Givord, Quantin, and Trevien 2012), as well as higher incomes among the poorest residents and lower income inequality (Charlot et al. 2014). As with US empowerment zones, however, there is evidence of negative economic spillover effects on the areas immediately surrounding the ZFUs (Givord et al. 2013).

In a subsequent analysis, Braint and coauthors (2015) found that these average effects obscured significant heterogeneity in the impact of the ZFU program, which was explained by neighborhood spatial isolation: the program was more effective when the targeted ZFUs were more connected to other parts of the city in terms of transportation (such as access to roads and train or metro stations) and the absence of physical barriers (rivers, train tracks, expressways). The authors concluded that the most spatially-isolated neighborhoods may not have a population base that can support the local economic development initiatives, so they suggested that policymakers combine place-based tax breaks and employment incentives with public investments in transportation and infrastructure.

Enterprise Zones

Enterprise Zones are state-level programs, which first made their appearance in the US in Connecticut in 1982, and are now present in 40 states (Ham et al. 2011). There is considerable variation across states in how the programs operate, but most select places that are lagging on economic development indicators and offer businesses incentives and property, income, or sales tax breaks geared toward hiring the local labor force in that area. Expenditures range across states. For example, California spent $290 million on tax credits in 2008, whereas New York spent $45 million in the same year (Ham et al. 2011).
Most evaluations of Enterprise Zone programs have found small to no effects on employment outcomes overall (Bondonio and Engberg 2000; Neumark and Kolko 2010; but see Ham et al. 2011). Since then, researchers have used state-level variation in the implementation of these programs to identify the program features and economic conditions that were most likely to produce positive outcomes. Elvery (2009) used tract-level propensity score matching to estimate the impacts of Enterprise Zone programs in California and Florida, and found no evidence of significant effects on the employment of zone residents. He suggested that most of the tax credits paid by the states subsidized hiring that would have taken place regardless of the policies. Similarly, Kolko and Neumark (2010) used spatial and temporal variation in zone designations from California Enterprise Zones to look at heterogeneity of effects across zones. They found no overall effect, but EZ programs had more favorable effects when the manufacturing share of employment was lower and when managers reported more marketing and outreach activities. On the flip side, they found worse outcomes when the zones devoted more effort to helping firms get hiring tax credits, in which case zones may have been helping businesses achieve retroactive tax credits for jobs already created rather than new jobs. Finally, in an analysis of Enterprise Zone policies across 11 states that used a combination of propensity score matching and zip code fixed effects, Bondonio and Greenbaum (2007) found that restricting the geographic extent of the program helped increase business activity by allowing for more intense marketing efforts, enabling program officials to better evaluate comparative advantages, facilitating close monitoring/evaluation, and preventing dilution of incentives. They also found that requiring strategic planning and tying incentives explicitly to job creation seemed to produce the greatest employment gains.
In a series of early policy implementation studies, researchers also found that the technical capacity of local communities was an important piece of the story. Ladd (1994) argued that the tax incentives of supply-side policies like EZs were relatively ineffective whereas more interventionist components of the programs, like technical assistance (TA), accounted for whatever success zones may have had. Similarly, Wilder and Rubin (1996), also found that EZs were more effective when “complemented by more traditional supports for economic development,” such as TA, location/site analysis, and special staffing. Elling and Sheldon (1991) also concluded that administrative resources devoted to operating the EZ were associated with a greater economic impact. Although these early reviews were rarely based on studies with control groups that hold up to modern-day statistical standards (Kolko and Neumark 2010), they provide important contextual evidence about the implementation of the EZ “treatment.”

There have been few efforts to examine both state Enterprise Zones and federal Empowerment Zones and Enterprise Communities, even though all have been in operation during overlapping time periods and geographies. In one of the few studies to do so, Ham and colleagues (2011) conducted a national analysis that used a triple difference method to assess the effects of State Enterprise Zones, Federal Empowerment Zones, and Enterprise Communities. They concluded that “all three programs have positive, statistically significant, impacts on local labor markets in terms of the unemployment rate, the poverty rate, the fraction with wage and salary income, and employment.” They also found that Empowerment Zones and Enterprise Communities designations seemed to have considerably larger effects than Enterprise Zones (but see Neumark and Simpson 2014 for a critique of the methods used in this paper).

Synthesis
Evaluations of federal Empowerment Zones consistently find significant effects on employment outcomes for zone residents, but there are smaller and more mixed results for state Enterprise Zones. This may be because Empowerment Zones tended to be implemented in more disadvantaged neighborhoods, in which business investment was unlikely to occur in the absence of government intervention to stimulate the market, and in which there might be less immigration driving up prices. It may also be due to the fact that the early Empowerment Zones also received substantial social services block grants. While few studies explicitly test mechanisms, taken together the studies point to a few factors that may be important in producing desired effects: a) concentrating on distressed zone areas of small size so as not to dilute impacts; b) tying incentives explicitly to creation of new jobs and marketing accordingly; c) building in social services, potentially around enhancing small firms’ access to capital; and d) building in a strategic economic plan and providing strong technical assistance to zone administrators and staff.

Even when they are effective, however, the economic gains in zones are greatly diluted because the vast majority of zone workers work outside their zones and the vast majority of workers in zones do not live in the zone (Peters and Fisher 2002; Kline, personal communication). And even when a zone or place-based policy is effective at improving the fortunes of those in the zone, those reaping the successes may leave the zone for more desirable areas of the city, leaving the zone still looking poor and distressed. This dilution of effects is particularly troublesome given recent evidence that the economic benefits of such policies were concentrated among more affluent residents (Reynolds and Rohlin 2013), and that there were negative economic spillovers for neighborhoods surrounding the zones (Hanson and Rohlin 2013; Givord et al. 2013).
Human-Capital Interventions

Another way to improve the economic conditions of places is to improve the education, job skills, or capacity of neighborhood residents to achieve better economic outcomes. While human capital interventions are more often thought of as “people-based,” some have been targeted at neighborhoods or other small geographic entities. In this section, we briefly review three such “place-based” human capital interventions: Jobs Plus, the Harlem Children’s Zone, and the Kalamazoo Promise scholarship program. While very different from one another, each intervention targets places in the hopes of connecting residents of a specific community, or their children, with better opportunities.

Jobs Plus

Jobs Plus was a randomized controlled trial that was first implemented in public housing developments during the late 1990s and early 2000s in order to boost the employment and earnings of public housing residents (Riccio 2010; Bloom, Riccio, and Verma 2005). Jobs Plus offered employment services that on-site at the public housing developments, revised rent calculations to increase work incentives, and tried to build community support for work via neighbor-to-neighbor outreach about job opportunities. The program was first implemented in six cities, which were evaluated via random assignment by MDRC. Public housing projects in each city with large working-age populations and high rates of unemployment and welfare receipt qualified. In each city, these public housing developments were placed into matched pairs or triplets based on their demographic and economic characteristics. One housing development from each city was selected at random via a lottery for treatment, and the matched projects served as the control groups for the evaluation.
Implementation of Jobs Plus proved challenging. Only three of the six sites (Dayton, Los Angeles, and St. Paul) were able to fully implement all of the components of the program, and it took about two years to achieve full implementation. Two of the sites (Chicago and Chattanooga) never fully implemented the program, and the final site (Seattle) was demolished as a HOPE VI site before the program was fully implemented. Despite these initial challenges, during the first four years after JOBS plus was implemented residents of the treated developments saw an average 6 percent growth in earnings over what occurred for residents in the untreated developments; in the sites that fully implemented Jobs Plus earnings grew by 14 percent. The earnings gains were observed among many types of residents, but there were few consistent effects on rates of employment or welfare receipt. For the three sites that fully implemented Jobs Plus, MDRC also completed a longer-term follow up three years after the program ended and they continued to find positive effects on earnings: the average gain was about $1,300 per year over the full seven years after implementation. Notably, effects grew larger over the study period, suggesting compounding returns to the program. Despite the positive effects on earnings, there was little change in quality of life for participants: they reported no change in community safety, material hardship, or the wellbeing of their children.

Building on the positive effects of its initial implementation, the Jobs Plus program has been replicated in many locations across the country in a suite of what are called “second generation” Jobs Plus programs. There was no random assignment to evaluate these programs, which precludes a rigorous analysis of whether the initial successes of Jobs Plus have been scaled up across the country; there are, however, several implementation studies that highlight implementation challenges similar to those experienced by the first-generation Jobs Plus sites (Greenberg et al. 2015). Thus, Jobs Plus offers clear evidence that a combination of work
supports and incentives can boost earnings among residents with multiple barriers to employment living in some of the most disadvantaged neighborhoods in the country, but it is incredibly hard to implement these programs and it is not clear that these programs alone will fundamentally transform communities.

*Harlem Children’s Zone and Promise Neighborhoods*

One place-based intervention that has garnered attention more recently is the Harlem Children’s Zone (HCZ), which combined “no excuses” charter schools (which feature high expectations, strict discipline, and considerable supports) with saturation of community programs in poor Harlem neighborhoods. A team of economists (Dobbie and Fryer 2011, 2013; Curto, Fryer, and Howard 2011; Fryer and Katz 2013) used lotteries for the charter schools to estimate their impact on student achievement. They found large effects on the achievement of low-income minority students in the schools (Dobbie and Fryer 2011) that seem to have persisted in the medium-term in terms of math, college enrollment, and to a lesser extent reductions in teen pregnancy and incarceration rates (Dobbie and Fryer 2013). They argue, however, that it was the schools and not the community interventions that that produced these effects. This is because children who lived outside the zone but went to the schools also saw large gains, while the siblings of those who went to the schools (but who did not themselves attend and thus could only have benefitted from the community supports) did not show gains. It is worth noting that this conclusion is specific to academic outcomes – the community supports may be important for other types of outcomes (although Dobbie and Fryer found no evidence for an effect of the community supports on teen pregnancy or incarceration).

The federal government is now attempting to scale up the successes of Harlem Children’s Zone under a larger federal program called Promise Neighborhoods.
Spearheaded through the Department of Education, since 2010 the program has been targeting distressed areas and funding comprehensive community initiatives that attempt to improve access to high-performing schools along with family and community supports that will improve children’s outcomes from birth to when they join the labor market. Communities that receive Promise Neighborhoods awards must evaluate their programs as a condition of the award, but it is still too soon to assess the outcomes of this initiative and whether it was able to reproduce the successes of HCZ.

**The Kalamazoo Promise**

The Kalamazoo Promise program, called “the Promise,” has offered large college tuition subsides to graduates of the Kalamazoo Public Schools (KPS) since 2005. Although there are many federal and state financial aid programs, the Promise is the first community-based scholarship program; it is both more generous and open to more types of students than traditional financial aid programs, but it is geographically restricted. Funded by anonymous private donors, it pays up to 100% of tuition and fees for students who were continuously enrolled in KPS since 9th grade and who attend any public college in Michigan. Using a difference-in-difference framework that compares students enrolled in KPS after the Promise began in 2005 to those who were enrolled prior to the start of the Promise, researchers have found that the Promise significantly increased college enrollment and completion, as well as predicted lifetime earnings; and effects were stronger for female and non-white students (Bartik et al. 2015). Because the scholarships gave families an incentive to move to, or stay in, Kalamazoo, the program also led to an increase in both the total population and school district enrollment, but had little effect on local housing prices (Miller 2011).
Since 2005, more than 50 communities have adopted Promise-style place-based college scholarship programs, with some variation in the type of funding source and eligibility requirements (Miller-Adams 2015). In an analysis of Promise-style initiatives in Kalamazoo and seven other communities, Bartik and Sotherland (2015) found that the programs increased immigration and boosted local population size, but had little effect on housing prices. The authors speculate that population growth would have positive economic benefits by boosting local labor supply and demand for goods and services, and they estimate that these economic benefits would outweigh the cost of the programs.

While difference-in-difference evaluations of these programs have identified positive average effects on college attendance and local population size, there also is some heterogeneity in the effects. In particular, merit-based programs boosted the number of white families with children but may have decreased the number of non-white families in the catchment area (Walsh and LeGower 2014). Promise-style programs also had positive effects on housing prices in areas with high-performing school districts and for houses in the upper half of the price distribution (Walsh and LeGower 2014). These findings present some cautionary evidence of potential inequalities in who reaps the benefits of these popular and rapidly-expanding place-based college scholarship programs.

2. POLICIES TO TRANSFORM HOUSING

In addition to policies aimed at transforming the economic potential of communities, many efforts to transform communities focus on improving housing in distressed areas. Public housing was strongly implicated in the rise of concentrated neighborhood poverty due to its construction in areas adjacent to or within at-risk neighborhoods (Venkatesh 2000; Vale 2002;
Hirsch 1998). The number of people living in neighborhoods of concentrated poverty—defined as those where more than 40 percent of residents have incomes below the poverty line—doubled between 1970 and 1990 (Jargowsky 1997). In 1990, just under half of all public housing tenants lived in high-poverty census tracts (Goering, Kamely, and Richardson 1997; Newman and Schnare 1997), and public housing was racially segregated as well (Schwartz 2010). In this section, we consider some of the major initiatives that have been aimed at improving these situations either by improving the conditions within public housing or by constructing alternative forms of subsidized housing within disadvantaged neighborhoods. We discuss HOPE VI, Choice Neighborhoods, Community Development Block Grants (CDBGs), and affordable housing provision via housing vouchers and the Low Income Housing Tax Credit (LIHTC) Program.\(^3\) (Although voucher and LIHTC properties are not technically place-based because they can be located in neighborhoods throughout a city, they tend to concentrate in particular neighborhoods so we discuss research on the effects of these concentrations within poor neighborhoods.)

**HOPE VI**

In the early 1990s, the public housing program was in bad shape. Physical conditions had deteriorated rapidly as the result of cheap construction and inadequate operating budgets for maintenance and repairs (Schwartz 2010). The tenant population had become more disadvantaged due to lower income limits and increasing difficulty attracting better-off tenants. As a result, the tenant population became poorer and less white, with more single mothers, more

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3 The Gautreaux Program and the Moving to Opportunity Program are two other notable quasi-experimental and experimental (respectively) attempts to evaluate the effects of moving public housing residents into less racially segregated and lower poverty (respectively) neighborhoods. Although these programs provide strong evidence that living in less disadvantaged neighborhoods can improve at least some aspects of life for low-income families, we do not include them in our review here because they are not technically “place based” – their aim was to improve family outcomes by relocating families to a wide range of neighborhoods, rather than transforming conditions within a particular neighborhood. In other words, these programs do not tell us about the effectiveness of policies to transform neighborhoods.
individuals with disabilities, and higher rates of crime and victimization (ibid). Inadequate budgets and a lack of accountability also generated lax property management—high vacancy and turnover rates and low rent collection—that further perpetuated the projects’ physical and social decline (Vale 2002).

Spurred by the declining living conditions in public housing, Congress created the Commission on Severely Distressed Public Housing in 1989. The commission was charged with assessing the scope of distress in the public housing stock and proposing a solution to alleviate the distressed conditions. The commission visited public housing projects in 25 cities, held public hearings, and spoke with residents, public housing agency staff, and housing industry leaders. Using standards of both physical and social distress, the commission determined that 6% of the total public housing stock—or 86,000 units—was “severely distressed.” The commission argued that the conditions in these buildings were adverse enough that simple renovation and modernization efforts would not suffice. In response, Congress authorized the HOPE VI program in 1992. HOPE VI’s stated objectives were to: 1) Improve the living environment for residents of severely distressed public housing through the demolition, rehabilitation, reconfiguration, or replacement of distressed projects, 2) Provide housing that will avoid or decrease the concentration of very low-income families, and 3) Revitalize sites on which such projects were located and contribute to the improvement of the surrounding neighborhood.

4 They evaluated the extent to which families in public housing lived in distress, measured by a) dropout rates among school age children, unemployment rates, and average median incomes—relative to the citywide averages; b) drug-related and violent crime rates in and around the projects, c) the quality of PHA management, measured by high vacancy and turnover rates, low rent collection, and the rate of units rejected by applicants, and d) the physical deterioration of buildings, measured by reconstruction costs, high density, high level of deferred maintenance, and major system deficiencies (HUD, 1992).

5 Section 24 of the United States Housing Act of 1937 as amended by Section 535 of the Quality Housing and Work Responsibility Act of 1998 (P.L. 105-276)
Between 1993 and 2010, HUD awarded 262 revitalization grants to 133 housing authorities, totaling about $6.3 billion, and another 287 demolition grants totaling $391 million (HUD 2011). The first grants targeted large housing developments located within troubled housing authorities. Over time, grant amounts became smaller as expectations for leveraging additional funds increased and the program was opened up to more cities and smaller developments (HUD 2010). The grants could be used for the demolition, construction, and physical improvement of public housing units; the development of replacement housing; and community and supportive services. HOPE VI has funded the demolition of over 100,000 public housing units and the rebuilding of 48,348 public housing units (HUD 2011).

Evaluating the effect of HOPE VI is complicated by several factors. First, awards were not randomly assigned and the distressed housing projects that received grants clearly differed, on average, from developments that did not apply for or did not receive grants. The second complicating factor is that no systematic resident tracking program or evaluation was put in place to measure resident or project outcomes over time. As a result, much of our knowledge about how residents have fared has come from two sources: 1) the Urban Institute’s HOPE VI Resident Tracking Study, which followed residents of five HOPE VI projects from 2001 to 2005, and 2) smaller case studies of specific developments and cities. A third limitation is that the “treatment” of HOPE VI varied, sometimes dramatically, across sites. With these limitations in mind, we will summarize the main findings about the outcomes of HOPE VI on the housing, economic, and

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6 Given the criteria of the program, housing projects that received awards were among the most distressed of the nation’s public housing stock, especially in the first few years. In addition, cities facing gentrification pressures, those with higher levels of racial segregation and violent crime, and those with low-quality public housing management were more likely to demolish public housing using HOPE VI as well as other funding sources (Goetz 2011).
social conditions of the targeted public housing neighborhoods, as well as the externalities of HOPE VI for displaced residents and the neighborhoods that received them.

There is a great deal of evidence from the tracking study and other case studies that HOPE VI largely achieved its first objective to improve the physical living environments of public housing residents. The physical quality of the new replacement housing is of higher quality, and design plans that incorporated elements of new urbanism aimed to integrate the sites into the surrounding neighborhoods by reducing density and removing high rises, mimicking local architecture, connecting with surrounding street grids, and creating clearly defined public and private spaces (Cisneros and Enghdahl 2009). As a result, returning residents report a high level of satisfaction with their new living conditions (HUD 2010; Comey 2004; Tach 2009). This is also true for residents who relocated using vouchers, but residents who relocated to other public housing projects reported little change in their living conditions (Comey 2004). Although overall satisfaction improved, some new challenges have emerged as well, with voucher holders reporting instability and economic hardship on the private housing market (ibid).

HOPE VI has also made progress toward its second goal of on-site deconcentration of poverty in subsidized housing developments, although the effects here are more varied across sites. Many new developments were constructed to be mixed-income, funded through mixed-finance deals that combined funding from a variety of federal, state, and city sources. In a HUD report of 15 sites shortly after re-occupancy, the economic profile of residents was more advantaged than it was pre-redevelopment, but a majority of residents remained low- or very-low income (HUD 2010). The income mix of developments varied widely, however, with some remaining 100% public housing and others dedicating up to 60% of the new units to market rate
tenants (HUD 2010). There is little evidence that HOPE VI has increased the income or employment outcomes of public housing residents (Levy and Kaye 2004).

It is less clear whether HOPE VI has achieved its goal of contributing to the revitalization of neighborhoods surrounding public housing developments. This goal may be achieved by positive spillovers associated with improving the quality of housing and safety within the development itself. But housing authorities were also encouraged to incorporate neighborhood goals into their redevelopment plans, such as construction of community centers, investment in neighborhood infrastructure, and rehabilitation of parks. During the 1990s and early 2000s, a strong national economy, local economic development initiatives, and a variety of other government programs contributed to the revitalization of many high-poverty neighborhoods (Jargowsky 2003), so it is difficult to determine the causal effect of HOPE VI above and beyond these forces.

Most studies that have attempted to discern whether HOPE VI changed conditions in surrounding neighborhoods have compared trends in HOPE VI neighborhoods to trends in the city as a whole or to trends in other non-redeveloped public housing neighborhoods within the same city. Using these methods, some studies have found modest increases in housing values and in commercial and residential lending in the areas surrounding redevelopment sites in a handful of large cities (Castells 2010; Zielenbach 2002). Similarly, HOPE VI led to modest reductions in the poverty rates of the neighborhoods surrounding HOPE VI developments, as well as reducing the share of non-White residents (HUD 2010; Goetz 2010; Tach and Emory 2015). Although this may be interpreted as a sign of positive spillover effects, these changes were achieved primarily by the net out-migration of non-white and poor residents, rather than by the net in-migration of white and nonpoor residents (Tach and Emory 2015; Goetz 2010). There is also a
great deal of heterogeneity in these effects both within and among cities, with some neighborhoods experiencing substantial demographic change and rising incomes relative to the city as a whole, others experienced smaller scale improvements, and some experienced virtually no change (HUD 2010; Tach and Emory 2015).

Predicated on the proposition that income-mixing might improve outcomes for low-income residents relative to concentrated poverty via a number of social mechanisms, including role modelling, social networks, and political economy, numerous researchers have examined the social dynamics that have emerged in new HOPE VI developments. Researchers have found little evidence of cross-class contact or interaction, benefits from role modeling, or improvements in economic or educational outcomes from such contact (Joseph et al. 2007; Chaskin and Joseph 2010; Buron et al. 2002; Tach 2009; Graves 2010; Fraser et al. 2013). There is however evidence of stronger social control, and reductions in crime in the developments and immediately surrounding them (Castells 2010; Zielenbach 2002). Although social control is typically considered a positive community attribute that enhances safety and reduces crime, it has been accompanied by increased surveillance and harassment of lower-income residents (Pattillo 2007; Graves 2010; Tach 2011; McCormick, Joseph, and Chaskin 2012; Chaskin et al. 2012), particularly in circumstances when race and income differences overlap.7

Because HOPE VI demolished more public housing units than it rebuilt, the program has resulted in a net reduction of affordable housing units and displaced some of the original public housing residents in the process (HUD 2011; Cunningham 2004). Those who did not return

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7 For example, management actions in some HOPE VI developments have even dissuaded resident interaction: Social gatherings in public spaces have been prohibited as “loitering,” housekeeping checks have been applied to subsidized but not market rate tenants, and rules requiring quietness and orderliness have restricted bike-riding or music in common spaces. Managers reported instituting these rules and policies to appease market rate residents, and subsidized residents report feeling constrained by them (see Tach 2013 for a review).
either took up housing choice vouchers (HCVs) to subsidize their rent on the private market or relocated to other public housing in the city; a smaller number left assisted housing completely (Buron et al. 2002; Kingsley et al. 2003). Many developments have been criticized for extending construction timelines; after rapid demolition, the construction of new housing has lagged, leaving many families temporarily displaced and waiting to return (Cunningham 2004). Return rates vary greatly across sites, however, ranging from a low of nine percent to a high of 75 percent (HUD 2010).

What happened to displaced residents is an important piece of the HOPE VI story, because on-site benefits could be counteracted by negative externalities resulting from displacement. The main challenge to evaluating the effects of HOPE VI for residents who did not return to the original development is that residents’ residential status following a HOPE VI award—returning to the development, relocating on the private market via a voucher, or relocating to other public housing—was not randomly assigned. Residents who were more attached to their communities pre-HOPE VI were less satisfied with their relocations (Goetz 2010), and those returned to the original developments were, at baseline, more advantaged, than those who did not, while those who relocated to other public housing were less advantaged than others (Buron et al. 2002). Similarly, the “hard-to-house”, including those with disabilities, chronic health issues, criminal backgrounds, and large families, have faced more challenges in the relocation process and were less likely to find quality housing via a voucher (Cunningham, Popkin and Burt 2005; Popkin et al. 2008).

As a group, those who relocated with vouchers experienced less poverty and crime in their new neighborhoods, even though they remained in poor, racially segregated neighborhoods (Kingsley et al. 2003; Buron 2004). There were few changes in economic or self-sufficiency
outcomes, large improvements in reports of safety and fear of crime, many moves in indications of housing insecurity on the private market, and potentially better socio-emotional outcomes for children (Popkin et al. 2004, 2009). In contrast, there were few improvements along any dimension for those who relocated to other public housing. There have been some concerns about the re-concentration of poverty in the destination neighborhoods where public housing families relocated. Although there is some degree of spatial clustering in where families moved, their numbers are small enough and scattered enough that it is unlikely that they could have appreciable effects on the crime or poverty rates of their communities.8

Overall, the HOPE VI program has brought about a dramatic change in the physical infrastructure of public housing communities, which has improved housing quality, spurred private residential and commercial investment, and yielded safer streets. These transformations, which most people agree have been for the better, have come at a steep cost: they have displaced a number of public housing residents, resulted in a net reduction of affordable housing, and destroyed community networks of social and instrumental support. And even within the new communities, there are signs of emerging inequalities in who benefits from the new resources and amenities (see, for example, Graves 2004; Bartz et al. forthcoming). One of the lingering unanswered questions from HOPE VI is whether it is possible to achieve positive reinvestment in public housing communities without displacement.

A second key takeaway from the HOPE VI program is that there are a number of non-income features that matter a great deal for the healthy functioning of mixed-income communities. In particular, the degree of physical integration of subsidized housing units into the surrounding area, quality and distinguishability of units, management policies, and tenure length

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8 Most research attributes any associations found on these lines to the fact that those who relocated with vouchers tended to move to neighborhoods that were already declining before they arrived (Ellen et al. 2012).
and housing type may moderate the effects of income-mixing (Briggs 1997, 2005; Brophy and Smith 1997; Schubert and Thresher 1996; Graves 2010; Schwartz and Tajbakhsh 1997). Property managers play very important roles in fostering or restricting resident satisfaction and interaction (see, for example, Graves 2010; Brophy and Smith 1997; Fraser et al. 2013; Vale 2006). In many instances, the ideal of inclusive, cross-class interaction in these communities has been undermined by the enforcement of social order.

A third theme from the HOPE VI work is that the program has shown that it can transform communities, but it is unclear whether it can transform lives. In other words if the goal is to improve the physical amenities, safety, and satisfaction with a community, HOPE VI can do this—for those who are lucky enough to remain there—but it has had little effect on other types of outcomes like economic well-being or school achievement. Thus, the “success” of the program depends on the types of outcomes one wishes to maximize. Of course, as we are just starting to learn from the Moving to Opportunity (MTO) study (which offered public housing residents vouchers to move to low-poverty neighborhoods), the economic benefits of community context may take time to materialize, and may unfold across generations (Chetty, Hendren and Katz 2015), so we should not be too quick to write off any potentially longer-term effects for children who are now growing up in HOPE VI developments rather than in distressed public housing.9

Choice Neighborhoods

The Choice Neighborhoods program is a comprehensive community initiative that continues and expands upon HOPE VI, which awarded its last grant in 2010 after the OMB

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9 HOPE VI may have also bolstered the institutional capacity of struggling public housing authority organizations, resulting in positive spillovers for the entire portfolio of public housing and shoring up the public housing program as a whole.
determined that it had met its goal of demolishing the distressed public housing stock. Choice continues HOPE VI’s emphasis on rehabilitating distressed affordable housing stock while creating mixed-income neighborhoods. It also expands upon HOPE VI by broadening the range of affordable housing that can be considered for funding beyond just the public housing stock, and it also expands its focus to make broader neighborhood revitalization a primary goal, by providing funding for “critical community improvements,” which are neighborhood improvement projects, and providing incentives and support to coordinate across multiple sectors to improve social services, educational opportunities, public safety, commercial and recreational opportunities, and infrastructure.

Since 2010, HUD has awarded 56 Choice planning grants and 13 implementation grants. The Urban Institute and MDRC were contracted to provide a baseline evaluation and implementation report for the first five sites to receive implementation grants in 2011: Boston, Chicago, New Orleans, Seattle, and San Francisco, and they released the final baseline report in 2015 (HUD 2015). Because the Choice Neighborhood redevelopments are ongoing, there is not yet a formal evaluation of their impact. Nevertheless, we summarize a few of the emerging results from the early descriptive implementation studies and baseline reports.

First, many of the neighborhoods that received early Choice implementation grants had received a considerable amount of attention and investment prior to receiving the awards. Most of the developers had been planning renovations to their affordable housing projects before the awards, and most of the neighborhoods had been designated redevelopment funds for transit, infrastructure, and commercial development. Second, most of the redevelopment plans call for a greater density of housing to be built in the communities, so the net reduction of affordable units is not as much of an issue in Choice as it was in HOPE VI (and in fact Choice calls for one-for-
one replacement). Nearly all of the implementation sites have promised broad improvements in the physical and mental health, self-sufficiency, and academic outcomes of residents.

Despite these goals, the implementation studies reveal a number of early challenges, as well as heterogeneity in implementation approaches across sites. First, sites with prior experience with HOPE VI appear to be doing a better job of managing the relocation process for residents; the assisted housing sites that were not public housing developments have been critiqued for hastily relocating residents without adequate counseling and case management in place. Second, local housing market dynamics have sometimes constrained the ability of the housing developers to begin the off-site housing development process; on-site demolition and redevelopment has proceeded faster and more smoothly than the off-site housing development. Finally, implementation studies reveal considerable variation in the extent to which the implementation teams have developed partnerships with the service providers and institutions that are likely necessary to achieve these goals; sites with support from high-ranking government officials seem to have been most successful at this.

There will be no random-assignment evaluation of Choice Neighborhoods and, like many comprehensive community initiatives, there are multiple “treatments” that residents and neighborhoods receive as a result of being designated a Choice Neighborhood, and the treatments themselves can vary across places. Yet, there are certain ways in which the evaluation of Choice neighborhoods may be easier than its HOPE VI predecessor, as they are putting into place a comprehensive tracking and performance measurement system at baseline.

Block Grants

With the creation of the Community Development Block Grant (CDBG) Program in 1974, the federal government gave block grants to local governments to improve the quality of
housing stock and neighborhoods. Cities, urban counties, and states are allocated money annually based on a formula that includes population, poverty rates, age of the housing stock, and other needs, with the understanding that they knew best the needs of their local populations. Under the broad goals of improving housing and neighborhoods, localities could choose to address the deterioration of the housing stock, improve community services, reduce poverty concentration or racial segregation, or stimulate private investment, or some combination of these strategies. The program has been remarkably durable—spanning four decades and multiple administrations—yet it has also been remarkably challenging to assess the causal impact of the program on communities, given the range of different neighborhoods and activities to which the funds were targeted.

A lot of the research has focused on how the funds have been allocated, but in terms of studies that have examined actual neighborhood-level impacts of the program, the most rigorous work has been done by Galster and colleagues (Walker at al. 2002; Galster et al. 2004) who used time series data and a variation of difference-in-difference models to examine spending in 17 large cities. Comparing annual trends in tract-level characteristics between tracts that received substantial CDBG funding to those that did not, they found that CDBG spending in the mid-1990s resulted in changes along three neighborhood-level indicators: mortgage lending, property values, and number of businesses. However, CDBG spending only resulted in neighborhood-level change when the funding was large (larger than the average spending in this sample). Thus, they concluded that CDBG funding must be targeted and concentrated in order to have neighborhood-level impacts. Pooley (2014) reached similar conclusions based on her analysis of more recent data for the city of Philadelphia. These findings echo in some ways the findings from empowerment zone versus enterprise zones, where improvements were more likely to be
found only when investments were substantial and highly targeted and concentrated in specific areas.

**Subsidized Housing Concentrations**

Most subsidized housing programs are not technically place based, as the developments are constructed in neighborhoods throughout a city rather than targeted at specific geographic areas. For example, Housing Choice Vouchers (HCVs - the modern-day incarnation of Section 8 vouchers) can be used to rent a housing unit anywhere within a city as long as the unit passes an inspection and the rent is less than the Fair Market Rent for the city (typically the 40th percentile in the city’s distribution of rents). Similarly, the Low Income Housing Tax Credit (LIHTC) Program, which offers tax incentives for housing developers to construct units with rents that are affordable to low income tenants (typically those with incomes about half of the city’s median income), does not place geographic restrictions on the neighborhoods in which the units are developed.\(^{10}\) Together, these two programs constitute over half of the current affordable housing stock in the country (30.7% is HCVs, and 21.5% is LIHTC) (Schwartz 2010). Even though there are no specific geographic restrictions for these programs, units sometimes cluster in particular neighborhoods (Wang and Varady 2005). This occurs for a variety of reasons – supply-side market forces like rental prices and development costs, as well as demand-side forces like resident search processes and preferences.

There are competing predictions about the consequences of the concentration of subsidized housing. On one hand, new housing construction may stimulate neighborhood economies and housing markets, and higher-quality construction might indicate neighborhood

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\(^{10}\) Although the program does offer some incentives for developers to construct units in so-called “Qualifying Census Tracts” (QCTs), which have poverty rates greater than 25%, or “Difficult Development Areas,” which have high land costs relative to local incomes.
renewal, reducing the incidence of vacant or abandoned lots and spurring broader revitalization efforts and having positive effects on surrounding neighborhoods, particularly if they are struggling. On the other hand, the construction of subsidized units could also crowd out other private development, reducing any benefits due to the policy itself. And subsidized units may also depress surrounding property values if they are perceived to lower the “quality” of the neighborhood—a fear that has motivated generations of “NIMBYism” from more affluent communities—or if an influx of lower-income residents reduces demand for local amenities.

Although there have been no experiments designed to assess these effects, researchers have used a range of quasi-experimental designs to evaluate the consequences of the clustering of subsidized housing on neighborhood outcomes ranging from property values to crime rates. Taken together, this research shows that the construction of new affordable housing in poor neighborhoods has positive effects on housing prices and neighborhood quality, while construction in more affluent neighborhoods has potentially small negative consequences. For example, using a discontinuity in the formula for the size of tax credits that gives larger subsidies to developments located in Qualifying Census Tracts (QCTs) that have higher poverty rates as well as tract-level difference-in-difference analyses, researchers have found that the greater construction of LIHTC units in QCTs is associated with higher property values, especially in poor or declining areas, but no effect on property values in gentrifying areas (Ellen and Voicu 2007; Ellen et al. 2005; Baum-Snow and Marion 2009; Diamond and McQuade 2015). They have also found that LIHTC units crowd out housing development in gentrifying areas, but not in stably poor or declining areas (Baum-Snow and Marion 2009). Other studies examining a range of affordable housing programs, including Section 8 vouchers and scattered-site public housing, have also found that small concentrations of affordable housing have virtually no effect on
surrounding property values (Galster et al. 1999; Briggs et al. 1999; Santiago et al 2001; Nguyen 2005), but large concentrations may have an adverse effect (Galster et al. 1999).

In theory, property values capitalize the quality of the housing stock and the amenities in a neighborhood that residents are willing to pay for. Few studies have examined the specific characteristics of neighborhoods that changed and drove up property values in poor neighborhoods as a result of affordable housing siting. The one primary exception to this is crime. Careful longitudinal analyses that attempt to disentangle the causal effects of the construction of affordable housing on changes in crime rates have found that there is virtually no causal effect of increases in affordable housing stock on crime (Lens 2005; VanZandt and Mhatre 2013; Ellen et al. 2011; Galster 2002), and some even find evidence that it is associated with reductions in crime (Freedman and Owens 2011).

Synthesis

Taken together, research on the effects of public housing redevelopment and affordable housing construction suggest that these initiatives can substantially improve the physical quality of the housing stock in distressed urban neighborhoods, both directly by building new, higher-quality units and indirectly by raising surrounding property values. More extensive revitalization efforts, like HOPE VI/Choice and CDBGs, can also improve the infrastructure and amenities of neighborhoods, and leverage additional private and public investments in the communities. Thus, the fears that subsidized housing will depress property values or generate more crime are simply not true, at least when the units are constructed in disadvantaged neighborhoods and when they are well-managed.

As with our synthesis of the economic development literature, however, we offer two caveats to the generally positive effects of affordable housing construction. First, these
improvements have the potential to displace poor residents, either directly by demolishing distressed housing as in the case of HOPE VI and Choice, or indirectly by raising property values, and thus rents, as in the case of CDBGs or LIHTC development. As a result, any advantages that accrue to distressed communities need to be weighed against the adverse consequences of displacement. Second, while affordable housing development clearly improves the physical quality of housing stock and neighborhood amenities for residents, there is little evidence that these investments alone will fundamentally transform the trajectories of their lives. There is no evidence that deconcentrating poverty by moving in higher-income residents will result in cross-class contact or alter the economic well-being of poor neighborhood residents.

3. CRIME PREVENTION PROGRAMS

Crime and safety are among the most important facets of community life for residents, and they are often at the top of the list for policymakers as well. High crime rates can directly harm residents via actual or threat of victimization, or through residual consequences of living in a high crime area like restricting one’s daily activities or harming academic performance (Sharkey 2010). It can also have negative externalities for the rest of the city as well, depressing tourism and business activity. The latter half of the 20th century was host to dramatic growth in violent crime rates beginning in the 1970s (LaFree 1999). As a result, a number of important interventions were developed and implemented in cities around the country with the goal of reducing violent crime in the most disadvantaged and dangerous communities in urban America. We focus here on crime prevention policies that targeted specific neighborhoods, but we also make note of larger citywide policies that can have a disproportionate impact on high-crime neighborhoods.
Although there are many overlapping components across different programs, well-studied place-based interventions typically either take a social network approach—targeting key players in a community because of their involvement in violence, their role in gangs, or other characteristics that put them at-risk in some way—or a location-based approach—focusing on key locations in a community that are ‘hot spots’ of criminal activity. Some of these programs rely on police-oriented interventions that aim to deter violence among key players via a host of preventive measures, community engagement, and threats of sanctions. Others were modeled on public health interventions, and approach violence prevention by involving community-based organizations and outreach workers to alter social norms and the behavior of key people involved in violence. The distinction between these two forms can often be blurry, but it may be useful to think of place-based anti-crime policies as existing along a continuum from more heavily law-enforcement based to more holistic and community-based.

While place-based crime prevention programs focus on reducing the incidence of crime in specific localities within a city or community, as with economic and housing interventions, they may also generate so-called spillover effects to other parts of the city. These could be negative (Repetto 1976), as in the case of reducing crime at one “hot spot” simply leading to the displacement of crime to other spots within the community. Or, importantly, they may be positive, such as if enforcement strategies in certain spaces or among certain groups sets a general tone that deters or discourages crime in other spaces or among other groups (Clarke and Weisburd 1994; Braga and Weisburd 2015). We review the evidence for such varied approaches below.

*Operation Ceasefire (Boston) and SACSI*
The preeminent example of a social network approach was Operation Ceasefire, a Boston-based intervention that focused on the small number of chronic offending, gang-involved youth who were responsible for a disproportionate share of Boston’s homicides (Kennedy et al. 2001). The intervention was designed to give chronically-offending gang members a strong deterrent to gun violence by using the “pulling levers” policing strategy, which aimed to deter violence among chronic gang offenders by targeting their gangs with a message that violence will not be tolerated and applying varied and coordinated sanctions and pressure to the gang until violence stopped. In addition to targeting the underground markets for handguns (via the Boston Gun Project), police and other agencies involved in Operation Ceasefire targeted the areas where certain gangs were active and applied all the legal pressure available to high-risk, chronically-offending gang-involved individuals through direct contact as well as via community forums with a clear message that this was a response to the gang’s violent actions. Sanctions ranged from strict enforcement of probation conditions to federal charges as the last step if targeted members would not desist. There was also a strong police-community partnership aspect to the initiative, with law enforcement agencies and stakeholders working jointly with community members, community-based organizations, and clergy to devise and implement joint strategies for reducing violence. Gang members were also offered services and assistance through coalitions of law enforcement and community groups. The intervention began in 1996 and continued through 2000.

Operation Ceasefire was not designed in an experimental fashion: the strategy targeted the entire city of Boston so there were no control areas or control gangs within the city. Still, Operation Ceasefire has been evaluated extensively with a range of quasi-experimental approaches ranging from simple pre-post time series analysis to more complex auto-regressive
time series analysis (Braga et al. 2001), unknown breakpoint tests (Piehl et al. 2003), using other US cities as a control group (Braga et al. 2001; Rosenfeld et al. 2005; Berk 2005), and propensity score matching (Braga et al. 2014a). Regardless of the method, virtually all analyses identified a large drop in violent crime (see Rosenfeld et al. 2005 for an exception). Youth homicides declined by around 60% across all of the evaluations, calls for shots fired declined by about 30%, and gun assaults dropped by about 25% (44% for youth gun assaults).

In the wake of the positive impacts found for Operation Ceasefire in Boston, the NIJ scaled up the program and implemented it in varying forms across the country as part of the Strategic Approaches to Community Safety Initiative (SACSI) in an effort to replicate the best practices from Boston (NIJ 2008). SACSI was implemented in 10 cities. Although each city was able to determine its own targets and interventions, 9 of the 10 cities targeted homicide and violent crime (Memphis chose to target sexual crimes). City participation in SACSI was associated with a 30-50% reduction in violent crime citywide when implementation went well, and effects were even larger areas in the targeted neighborhoods than the city as a whole. Like Operation Ceasefire in Boston, however, these cities had no control areas or populations to allow for a rigorous quasi-experimental evaluation. Researchers compared SACSI cities to other cities of similar size and found that the SACSI cities experienced significantly larger reductions in homicide than comparable cities (Roehl et al. 2006).

Project Safe Neighborhoods

Project Safe Neighborhoods was another variant of the Boston Gun Project portion of Operation Ceasefire that NIJ scaled up to 82 cities, and focused on increased federal prosecution for gun crimes in addition to broader social norm change via media campaigns and Operation Ceasefire-like interventions. Cities had considerable latitude in how they targeted and
implemented the program. Many cities chose to offer certain resources for entire districts (such as a media campaign or accepting key cases for prosecution) while also focusing most of their enforcement and intervention resources on specific high-crime communities within the city. Thus, even more than in SACSI, the “PSN intervention” varied considerably across cities. Using quasi-experimental methods to 170 comparison cities and dose-response analyses, McGarrell et al. (2010) found that PSN was associated with a 4% decline in violent crime relative to a 0.9% decline in non-PSN cities. City-specific evaluations show heterogeneous results. For example, using propensity scores and growth curve models, Papachristos et al. (2007) found that PSN was associated with a 37% drop in homicide rates in treatment neighborhoods relative to control neighborhoods. In examining the heterogeneity across cities, researchers have found that higher “dosage” – measured by strength of implementation, use of research and strategic planning, and enhanced federal prosecution—was associated with greater declines; there were few differences between the low-dosage cities and the control cities (McGarrell et al. 2010).

Community Policing

Much closer to the community-based end of the law enforcement approach continuum would be so-called “community policing” approaches. These generally involve a greater emphasis on general police presence in high crime neighborhoods, often through the use of foot patrols (Ratcliffe et al. 2011), and the involvement of and cooperation with community residents in maintaining order and preventing crime (Gill et al. 2014). The heterogeneity of community policing approaches and the lack of a coherent set of implemented strategies across neighborhoods makes understanding its effectiveness difficult, but reviews of the evidence (see Weisburd and Eck 2004; Gill et al. 2014) show that the consensus is little evidence of reductions
in crime from community policing, though perhaps some evidence of improvements in satisfaction with police and with fear of crime by community residents.

*Chicago CeaseFire and Cure Violence*

Unlike the police-oriented, law enforcement approaches adopted by Operation Ceasefire and the scaled-up versions in SACSI and Project Safe Neighborhoods, the public health approach constitutes an alternative model of violence prevention. Adapted by Gary Slutkin in the late 1990s from early approaches stemming out of the Chicago Area Project and related efforts (Kobrin 1959), this approach treats community violence like a disease and uses epidemiological approaches to disease control – detecting and interrupting conflicts, identifying and treating high-risk individuals, and changing social norms – to reduce violence (Skogan et al. 2008; Butts et al. 2015). Unlike the police-oriented Operation Ceasefire, this approach uses community-based organizations and street outreach workers to implement the intervention. Also, unlike the law enforcement suppression approach of Operation Ceasefire that utilizes aggressive law enforcement, the public health approach aims to deter crime by providing on-the-spot alternatives to violence when situations arise on the streets, as well as more general deterrence by changing community norms about violence and providing targeted services to high risk individuals (Skogan et al. 2008). High-risk individuals are identified by “violence interrupters”--trained outreach workers, often with a history of violence themselves—who mediated conflicts and provided culturally-appropriate alternatives, worked with people directly, and mobilized community institutions to reinforce the message that violence must stop. The assumption is that punishment is not the most effective way to create lasting change in a community; rather violent behavior (like all behavior) responds to structures, incentives, and norms and that we should focus on changing these broader structures to create more lasting change (Butts et al. 2015).
The public health approach was originally implemented as part of the Chicago Cease Fire program in 2000; since then, it has been implemented in other cities under a variety of names including Baltimore Safe Streets, Save Our Streets, and the TRUCE program. CeaseFire, the umbrella organization that oversaw these varied implementations officially renamed itself Cure Violence in 2012.\textsuperscript{11} The first evaluation of Chicago Cease Fire, using a difference-in-difference analysis that compared 16 years of monthly crime data in CeaseFire and comparison neighborhoods, found that the program significantly decreased shooting in 4 of the 7 CeaseFire sites (Skogan et al. 2008). Results on other indicators – including changes in gang involvement, retaliatory gang killings – were inconsistent across sites, with some sites finding positive impacts and others finding no impact. The implementation study found that some program sites faced implementation obstacles, like a dearth of community leaders, limited community buy-in, inconsistent funding, and challenges with staffing. A later evaluation found similarly inconsistent findings across sites, with one district showed a large decline in violence while the other studied showed little change (Henry et al 2014). The qualitative component of this study identified limited awareness among neighborhood residents not directly targeted despite positive assessments from high-risk residents (Gorman-Smith and Cosey-Gay 2014). Thus, the results from Chicago CeaseFire are promising, but methodological challenges, including differing fidelity of intervention across sites and difficulty constructing appropriate comparison neighborhoods for the control group, and the limited qualitative component, make it hard for us to understand exactly why the intervention produced such mixed results across sites.

The public health model of crime prevention has been replicated in a number of other cities under various names. The Baltimore Safe Streets Program started in 2007, and was

\textsuperscript{11} http://content.usatoday.com/communities/ondeadline/post/2012/09/13/ceasefire-cureviolence/70000310/1
evaluated using a difference-in-difference design that compared changes in monthly crime data between treatment and comparison neighborhoods. Researchers found significant reductions in crime in only one of the four treatment communities, relative to the changes in crime that occurred within the control neighborhoods. Save Our Streets, implemented in Brooklyn in 2010, also used a difference-in-difference model to evaluate its impact. Researchers found a reduction in crime in the treatment neighborhood, but it was not statistically significant. The TRUCE Project, implemented in a high-crime neighborhood of Phoenix, AZ in 2010, was associated with an overall reduction in violent crime, driven by a reduction in assaults but an increase in shootings. Finally, One Vision One Life was implemented and evaluated in three Pittsburgh, PA neighborhoods in 2004; evaluations suggest that it had no effect on homicide, and potentially an uptick in assaults, in the treatment neighborhoods relative to the control neighborhoods.

Taken together, the evaluations of public health based crime prevention programs yield heterogeneous and inconclusive results. Some treatment neighborhoods experienced significant reductions in crime, while others experienced no change and a handful even got worse. Figuring out precisely why the results were so heterogeneous, and most importantly why some sites experienced significant improvements in crime, is hampered by a range of strengths and types of implementation across cities and neighborhoods, by the challenge of constructing appropriate counterfactual conditions from the non-treated neighborhoods in each city, and by the lack of a qualitative component in the evaluation of most programs.

**Targeted Deterrence or Hot Spot Policing**

Unlike the people-based crime prevention programs described above, place-based policing strategies attempt to reduce crime by focusing on specific places, sometimes as small as a few blocks, with extremely high concentrations of crime sometimes called “hot spots.” Most
place-based policing strategies adopt a “targeted deterrence” approach, which builds on the “pulling levers” approach pioneered by Boston’s Operation Ceasefire (discussed above) (Saunders et al. 2015). Hot spot policing involves identifying such concentrations of crime and then developing tailored responses to crime and disorder in those areas. The interventions can include directed patrols targeted at specific times or locations, zero-tolerance policing characterized by vigorous enforcement of all violations, even petty offenses like public drunkenness and loitering, and crackdowns or raids targeted at specific crimes or known offenders. Interventions have been characterized as emphasizing either a “problem-oriented” policing approach, which involves identifying problem areas, understanding their roots, devising solutions to solve the problem, and then assessing results, or the more saturation of police presence and enforcement in an area characteristic of “broken windows” or zero tolerance approaches.

These strategies were developed in response to the mounting evidence that not only is criminal activity unevenly distributed across neighborhoods, it is unevenly distributed within particular high-crime neighborhoods as well. A very small number of high-crime street segments, corners, and blocks account for an extremely large share of all violent crime (Pierce et al. 1988; Sherman, Gartin, and Buerger 1989; Weisburd et al. 1992). For example, Braga and colleagues (2009) found that less than 3% of all street segments and intersections in Boston accounted for over half of all violent crime in the city of Boston between 1980 and 2008. Over the past two decades, the share of police departments that engage in some form of hot spot policing has grown markedly.

Unlike the person-based strategies described above, there have been experimental evaluations of place based policing in addition to quasi-experimental studies. In a systematic
review of these studies, Braga et al (2012, 2014b) found that 20 of the 25 hot spot interventions reported significant reductions in crime and disorder. Effects were smaller for the randomized experiments than for the quasi-experiments, but both experienced statistically significant reductions. In addition, on balance these studies found either no evidence or only weak evidence for displacement effects of crime on other areas, suggesting that the effects in targeted areas were not simply due to crime moving to less-policed areas. Braga et al (2015), found further that community “problem-oriented” policing strategies were much more likely to show an effect than strict police enforcement strategies, though they also note that the line between these approaches can be blurry, as strict enforcement approaches can sometimes be a component of a problem-oriented approach.

Synthesis

Looking across the set of person-based and place-based policing strategies described above, we conclude that the law enforcement strategies associated with people and places can generate substantial reductions in violence and crime. Although the magnitude of the effects varies across studies, they suggest that targeted and thoughtful policies aimed at disrupting crime in places and among people that contribute to crime problems the most can be quite promising in reducing crime rates in high-crime areas. By contrast, the public health based crime prevention strategies have some promising results in a few sites but are largely inconclusive because results vary so much across sites. The inconsistency across cities may be due to the inability to construct adequate counterfactuals in the quasi-experimental research design and variation across cities in what was included in the treatment intervention and how well the intervention was implemented.

We wish to point out a few important lessons learned as well as some caveats to this body of research on place-based crime prevention. First, it appears that interventions that tried to
engage in comprehensive strategies may have diluted their power by trying to do too much with limited resources and limited organizational capacity, perhaps spreading themselves too thin. Although there is an intuitive appeal to the public health intervention models for their focus on generalized deterrence and broader community change, it may be more cost effective and easier to implement more targeted programs. Even Boston’s Operation CeaseFire, which successfully marshalled a concerted effort among many institutional stakeholders and generated large short-term reductions in crime, was hard to sustain long-term (Braga, Hureau, and Winship 2008).

Second, fidelity of the intervention is a key issue across these programs, as the interventions themselves varied across cities, as did the efficacy with which the interventions were implemented. This hampers cross-city comparisons and makes it difficult to know which specific aspects of an intervention are most effective. Sometimes, different interventions were even being implemented in the same neighborhoods at the same time (Papachristos et al. 2007). One reason why this is a limitation is that virtually none of these interventions contained a qualitative evaluation component. The value of a qualitative add-on to an experimental design is that, when expected outcomes are not observed, or when results vary across places or across subgroups, one can identify why and shed light on important policy levers and mechanisms.

Finally, virtually all of these studies focused on the prevention of violent crime as the key outcome of interest – this is what the programs were designed to target and this is the outcome that was tracked to evaluate the success of the program. Given the recent instances of aggressive policing in Ferguson, Baltimore, and other African American neighborhoods around the country, we want to highlight the fact that there could be negative consequences of such tough-on-crime policing tactics, including undermining the trust and cooperation of community members, the steep personal hardships among those who are targeted via such programs, or the collateral
consequences of high incarceration rates for the communities and families who are left behind (see Braman 2004, Clear 2007, Hagan and Dinovitzer 1999, Western 2006, Western and Wildeman 2009). Many of these programs were first conceived and implemented during the 1990s, during an era of historically high violent crime rates, but conditions are different today. Crime rates are dramatically lower, and we are more aware of the potential for negative externalities of hyper-policing. A key challenge going forward, then, is to determine how to implement law enforcement based targeted approaches in a way that respects, rather than undermines, the communities in which they are implemented. This is a key area for future policy innovation.

4. LOOKING FORWARD: SYNTHESIS AND RECOMMENDATIONS

This review synthesizes what the evidence has to say about the efficacy of place-based social policy on key outcomes relevant to urban populations. We focused primarily on three areas: economic development, housing, and crime. Several themes emerge across the range of policies and programs we have covered in this review.

“Treatments” are Heterogeneous in Place-Based Policies.

Even when implemented under a guiding philosophy or approach, the implementation of place-based policies tends to vary quite a bit across areas. Perhaps this is as it should be, but such a reality creates challenges for evaluating place-based policies’ effects. At some level, neighborhood-level interventions will be more successful if they are tailored to local needs and aligned with local goals. At the same time, this presents challenges for identifying the effects of policies, if the specific policies implemented vary so much across sites. There are numerous examples across our review of interventions that were adapted to fit local conditions but that it is
also difficult to determine whether the policy is effective: State Enterprise Zones, HOPE VI; SACSI, to name a few.

The challenge for researchers, then, is to harness the heterogeneity in the treatments to determine what features are most likely to produce success and under what set of circumstances, so that we are able to say what aspects of a policy work for what types of places. Two research approaches can help here. The first is to incorporate systematic implementation studies across different sites in a way that these data can be linked to the quantitative evaluations. This was done for Jobs Plus, for example, and it was also done retroactively by Neumark and Kolko for California Enterprise Zones. This allowed the researchers to identify whether a treatment was actually fully implemented (as was the case for Jobs Plus), and also if the treatment was heterogeneous it allowed researchers to determine what types of treatments were most effective (as was the case with Enterprise Zones). A second research approach that has been effective at explaining why policies do (or don’t) have certain effects is an in-depth qualitative add-on. This allows researchers to get at mechanisms in a much richer way than is available in quantitative work, and it also allows researchers to discover things that matter that they may not have anticipated a priori.

*Geographic Targeting Can Have Unintended Consequences.*

Although the geographic-targeting of place-based policies allows for concentrated flows of resources to be directed to particularly distressed areas, there are some challenges that result from geographic targeting as well. Improving the quality of life within a geographically-targeted area can make it a more attractive place to live, but this can prompt residential mobility flows that dilute the effects of geographic targeting and have potentially concerning distributional consequences. For example, if property values rise in the targeted area, it can displace current
lower-income residents and prevent new lower-income residents from moving in to the area to take advantage of the improvements. This occurred across all of policy domains we examined, including in Empowerment Zones, HOPE VI sites, and the geographically-targeted scholarship programs like Kalamazoo Promise.

Geographic spillovers are another challenge endemic to place-based interventions. Sometimes, the focus on a particular geographic area can have negative effects on another geographic area, either by diverting resources that otherwise would have gone to that area or by deconcentrating problems from the targeted area to another area. Though far from conclusive, there is some evidence of negative spillovers on the geographic areas immediately surrounding Empowerment Zones, for example, which experienced a reduction in economic activity because resources and incentives were targeted within the zone. Negative spillovers have also been a concern in crime prevention policies, due to the concern that efforts to prevent crime in one area will simply push the criminal activity to another area. There is less consistent evidence for this type of negative spillovers, however. On the flip side, there is also some evidence that some place-based policies may lead to *positive* spillovers, as seems to be the case with some focused deterrence policies in the crime area. The lesson for both policymakers and researchers is to consider potential unintended consequences of their geographically-targeted policies on other areas, and to look at changes in the flows of residents into and out of the neighborhoods, as these may offset positive developments that occur within the targeted area.

"Scaling Up" Successful Programs is Challenging.

Many large-scale policy initiatives were based on highly-successful early programs. For example, Promise Neighborhoods emerged from the successes of the Harlem Children’s Zone; the varied SACSI crime prevention initiatives funded by the Department of Justice aimed to
build on the early success of Boston’s Operation CeaseFire, and many localities have started their own geographically-targeted college scholarship programs inspired by the success of the Kalamazoo Promise program. The early interventions were often unique: they were typically very intensive with a significant investment of funding, a strong institutional capacity to deliver the intervention, and directed by particularly effective leaders (e.g., the “Geoffry Canada effect” of Harlem Children’s Zone). It stands to reason that it is challenging to “scale up” some of these early successes, because there is usually less funding and a less well-developed institutional capacity to deliver the intervention with the same level of fidelity to the original program. The specific problems in need of solving also vary across places, so what worked in one locale may not be as effective in another. As a result, it is often challenging for policymakers to replicate the successes of promising pilot programs.

The Importance of Community Capacity and Technical Assistance.

This brings us to our next observation: the importance of community capacity. Some communities are more poised than others to deliver effective interventions. The factors that enable effective implementation are specific to the particular intervention in question, but some overarching themes seem to be: prior experience among the key stakeholders who will deliver the intervention, evidence of the ability of those stakeholders to collaborate and garner the support of local officials, and including technical assistance as part of the intervention. Many policy efforts are already moving in the direction of building community capacity as an explicit part of the intervention, or prior to it, and we see this as a promising development.

Tension between Breadth and Depth in Scope of Intervention.

There seems to be a tension between the breadth and depth of place-based interventions in terms of their ultimate scope. Interventions that are very narrowly targeted for a specific
behavior and/or outcome, such as an employer tax credit, may be insufficient to turn the economic tide in very disadvantaged neighborhoods, where there are many compounding forms of disadvantage; if there are effects, they may be small or confined to the specific domain of the intervention without broader changes in quality of life. For example, state Enterprise Zones had little appreciable effect on neighborhood poverty rates, constructing an affordable housing development boosts property values but does little to change social dynamics in a neighborhood. Similarly, many of the housing interventions we reviewed appeared to be successful at improving the housing stock and quality available to residents, but appeared less successful at fundamentally improving the life chances of those same residents.

The recognition that there are multiple and overlapping forms of disadvantage within these communities has led federal policy to push for more comprehensive set of policies and interventions that coordinate across agencies and sectors to implement “comprehensive community initiatives,” like Choice and Promise. The challenge we discovered in this review, however, is that such broad goals can dilute the impact and effort in any one area. And it is challenging to coordinate across the multiple sectors, which we observed in the Choice and Promise early implementation studies, as well as CDBG implementation. Reinforcing this notion is evidence from Empowerment Zone type interventions, which suggested that a laser-like focus on smaller, bounded geographic areas was more likely to generate positive outcomes.

Finding the “sweet spot” in the middle of this continuum between breadth and depth seems promising: big enough to turn the tide a bit, but also not too big that it dilutes efforts or creates coordination challenges. We saw several examples that fit this bill: Early Empowerment Zones, which focused not only on business tax credits but also social services; Jobs Plus, which focused not only on job training but also reduced work disincentives and fostered community
social capital; and Boston’s Operation Ceasefire which targeted specific individuals within the community but did so via coordination among law enforcement and important community stakeholders.

*Beyond People versus Place.*

In this review we have covered a wide range of policy efforts that have tried to improve economic, physical, and social conditions within distressed urban neighborhoods. Place-based policies have been a hallmark of the Obama Administration, and they are to be commended to targeting resources to areas that have been underinvested in for decades. Despite the promise and appeal of place-based policies, we also wish to point out that broader, non-place based interventions can also have disproportionate benefits for disadvantaged communities. For example, antipoverty programs, such as the EITC, funnel considerable resources into high-poverty neighborhoods.

But perhaps the broader point is that in recent years there has been a softening of the “people versus place” distinction in the policy world, with the recognition of the complex interactions between people and places. For example, Margery Turner, a leading housing scholar and advocate, has recently advocated for “place conscious” community and economic development, which considers the effects of policies on particularly disadvantaged areas, but stops short of restricting funding to only those geographically-targeted areas (Turner 2014, 2015). We see this as a promising avenue for future policy development.

Our synthesis of the evidence we have presented in this review is that some of these efforts have been successful at making incremental change, but few were really transformative. We interpret this as positive news. Full-scale transformation is unlikely to result from any single policy endeavor. As generations of sociologists have pointed out, the conditions in our nation’s
most distressed urban neighborhoods were formed as the result of decades of political, economic, and institutional discrimination and neglect (Massey and Denton 1993; Wilson 1987). It is unreasonable to think that those actions will be undone with a single policy or intervention, or even a whole suite of interventions. Rather, “transformation” is a long-term process that unfolds not in years but over generations. It will require not only targeting investments to the distressed neighborhoods themselves but also holding accountable the economic, political, and social actors who helped create these conditions in the first place and who continue to have a hand in sustaining them.

REFERENCES


