

LISC Milwaukee

...transforms
distressed
neighborhoods into
healthy
communities of
choice and
opportunity



Overview

Mission

- Founded in 1995, LISC Milwaukee transforms distressed urban neighborhoods into healthy communities of choice and opportunity—great places to work, do business and raise children.
- LISC mobilizes corporate and philanthropic support on behalf of local neighborhoods, providing them with loans, grants and equity investments, policy support, and the technical and management assistance and networks they need to realize their goals.

Expertise

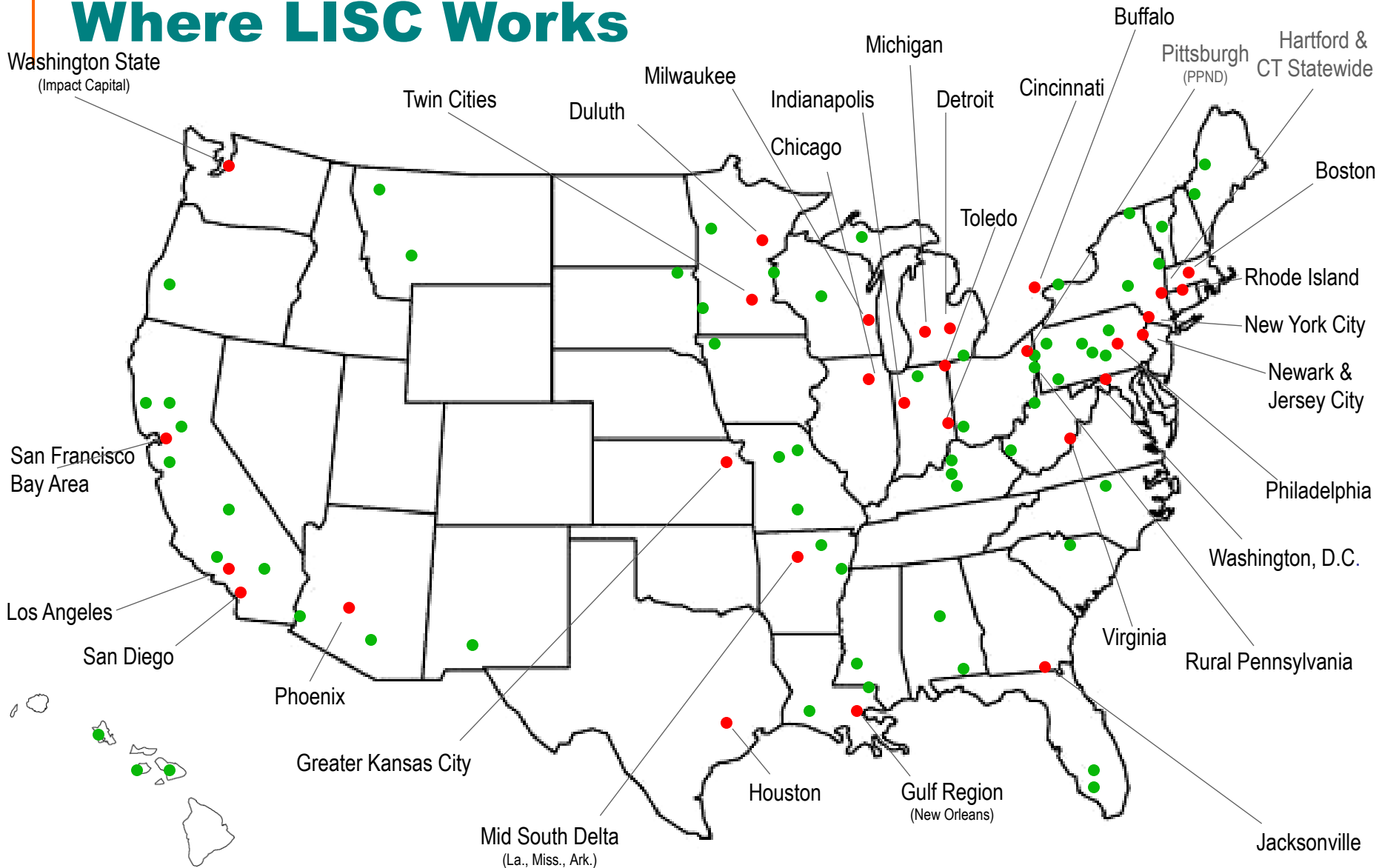
LISC is a national organization with local priorities operating in 30 cities. LISC is the recognized expert in achieving sustainable neighborhood revitalization. LISC's approach to ***building sustainable communities*** is comprehensive.

Value Proposition

LISC sees opportunity where many see risk. LISC succeeds because of experienced staff on the ground collaborating with community partners, business leaders and policymakers.

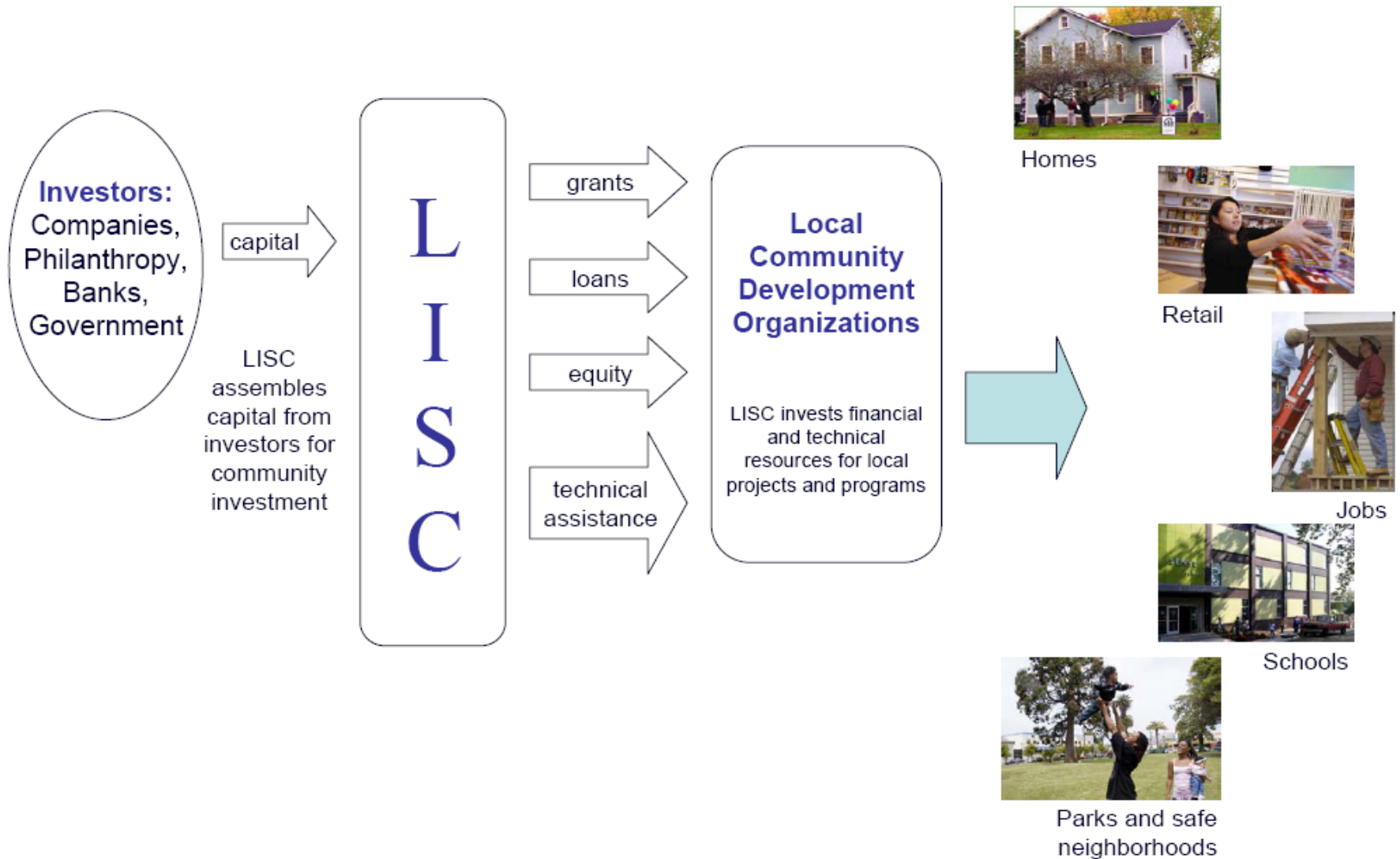
- Every \$1 invested in LISC Milwaukee yields \$30 of direct community investment.
- LISC aggregates capital from a variety of sources
- Banks, insurance companies, foundations and individuals invest or loan money to LISC and LISC uses these funds to finance and provide technical support for local projects.

Where LISC Works



- 36 Rural Offices
- 30 Urban Offices

How LISC Works



LISC's Place-Based Focus

- Concentrated effort in the “central city”
 - *Capital Drive South to Lincoln Ave*
 - *Milwaukee River to 60th Street*
- Current Target Neighborhoods:
 - Harambee
 - Washington Park
 - Clarke Square
 - Lindsay Heights
 - Layton Boulevard



LISC's Methodology

- **Relational Organizing Model:** fostering increased and sustained resident engagement by creating a sense of ownership and accountability
- **Comprehensive Neighborhood Plan:** developing and implementing a plan with clear goals, action steps and outcomes
- **Collaboration:** connecting a broad base of implementation partners and working across silos
- **Investment:** seeking public and private funding and participation
- *Doing while planning*

LISC Initiates Quality of Life Planning

- Planning processes built on best practices—tested in Bronx and Chicago
- More than a land-use plan—also deals with human/social factors
- Plans are time-bound and measurable
- Plans involve coordinated investment of resources to support comprehensive, revitalization strategies that include strong resident and neighborhood involvement
- Plans are living documents and periodically updated



LISC's Objectives of the *Sustainable Communities Strategy*



LISC Increases Family Income and Wealth

A sure sign of a thriving community is that residents feel confident that their incomes will rise; their job prospects widen; and their assets grow while they are living there. Under LISC's Family Income & Wealth Building Program, LISC has turned its attention to this important requisite of a healthy community, helping to ensure residents have:

- ❑ Sufficient family income
- ❑ Transferable job skills
- ❑ Manageable expenses
- ❑ Smart debt
- ❑ Post-secondary education plan for their children
- ❑ Realistic opportunity for retirement at 65



Financial Opportunity Centers – Impact & Leverage

- Financial Opportunity Centers (FOC) demonstrate “bundled” financial services have greater impact.
- LISC provides program model, training, AmeriCorps members, evaluation services, and program funding.
- Early results of model show significant impact after 2 years:
 - Participants are 3 to 4 times more likely to significantly improve financial standing
 - 70% achieved gains in net income
 - Clients experienced increases in “good debt” and decreases in “bad debt” contrary to national trends

Bundled Services offer Comprehensive Approach

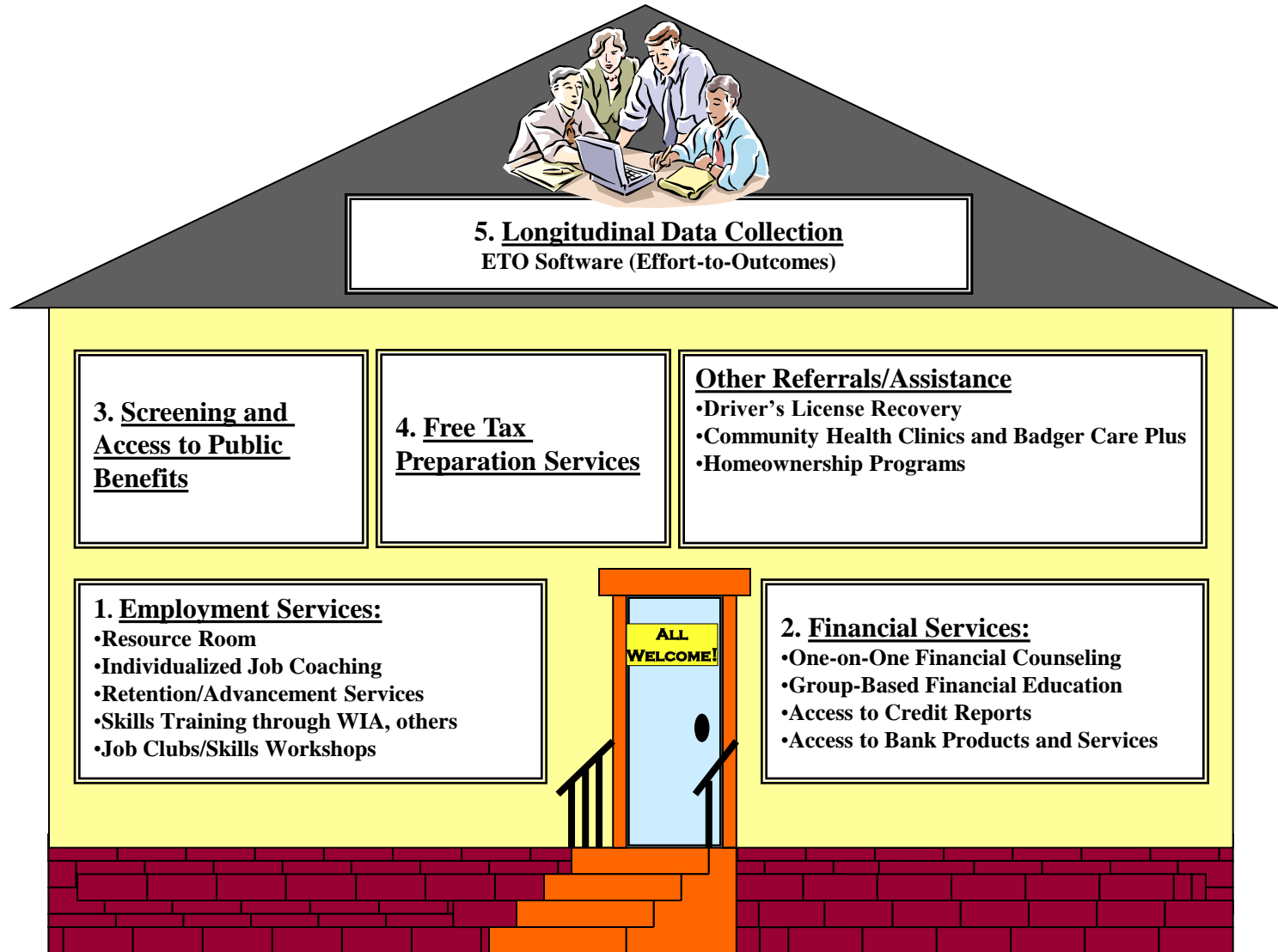
- ❑ **Employment Placement & Career Advancement**
 - Soft-skills training
 - Job placement/advancement
 - Educational attainment

- ❑ **Financial counseling & coaching**
 - Financial management workshops
 - One-on-one coaching & counseling
 - Better priced financial services

- ❑ **Income supports**
 - Public benefits
 - Tax credits
 - Interest income



Financial Opportunity Centers – Core Elements



Resident Engagement

Financial Opportunity Centers - Basics

- ❑ Centers built on an existing service
- ❑ Work with client for 3 years
- ❑ Utilizes coaching & counseling techniques
 - Individual and workshops
 - Short term solutions & long term planning
- ❑ Data collection utilized for program improvement
- ❑ Participant success measured by increases in income & improvement in ability to obtain assets



Efforts To Outcomes (ETO) Assess Impact

- ❑ Net income
 - Wages, public benefits, tax credits
- ❑ Net worth- positive changes
 - Assets – Liabilities
- ❑ Employment retention
 - 3, 6, 12 & 24 month
- ❑ Credit report/score improvement
- ❑ Career/wage advancement
- ❑ Debt reduction
- ❑ Budget implementation
- ❑ Receipt/bundling of 3 core services



Financial Opportunity Centers - Cost

<u>Agency costs:</u>	<u>One Center</u>	<u>Four Centers</u>
Salary & Fringe		
Financial Counselor	\$70,000	\$260,000
Workforce Counselor	\$65,000	\$280,000
Benefits Coach	\$27,000	\$108,000
Intake/Reception/Follow-up	\$50,000	\$200,000
Contractual Services		
Credit Reports	\$3,000	\$12,000
Marketing Materials	\$5,000	\$20,000
Computers/Copier/Equipment	\$7,500	\$30,000
Indirect Program Costs		
Administrative/IT Support	\$15,000	\$60,000
Insurance, Audit, Accounting	\$10,000	\$40,000
Occupancy Costs	<u>\$3,000</u>	<u>\$12,000</u>
TOTAL AGENCY COST:	\$255,500	\$1,022,000
<u>Intermediary costs:</u>		
ETO Software	\$2,000	\$8,000
Training	\$10,000	\$40,000
Consultant Services	\$18,000	\$72,000
Program Administration	\$5,000	\$20,000
Conference and Scholarships	<u>4,000</u>	<u>\$16,000</u>
TOTAL	\$294,500	\$1,178,000



LISC positioned to expand Centers through Sustainable Community Neighborhoods

- Future Possibilities:
 - ❑ Community-based workforce organizations
 - ❑ Financial Counseling Organizations
 - ❑ Community centers
 - ❑ Community Colleges
 - ❑ One-Stop Centers



Family Opportunity Centers Demonstrate Success

Abt Analysis:

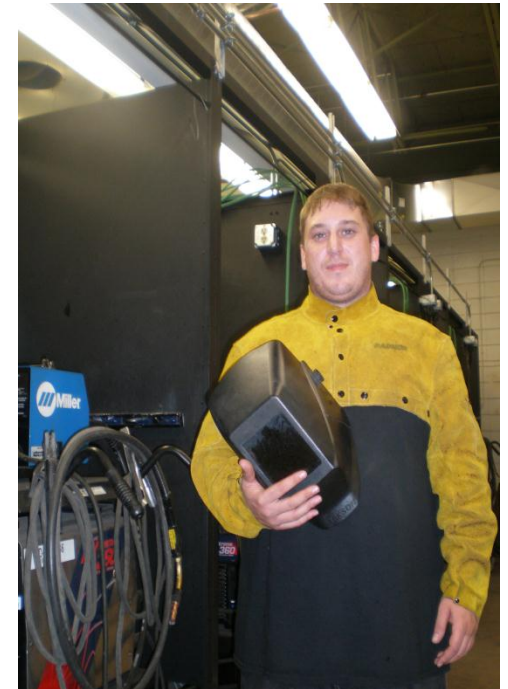
- ❑ “*Bundlers*” are 3-4 times more likely to achieve a major economic outcomes than non-bundlers
- ❑ Receipt of high intensity services made a significance difference on achievement of major outcomes
- ❑ Participants who are engaged for 18 months or more see more significant outcomes
- ❑ 40% of clients improved their credit score
- ❑ Over two years, debt accumulated for living expenses went down and debt accumulated for asset expenses went up
- ❑ *Employment must be secure and consistent to achieve major financial outcomes*



LISC Chicago Preliminary Data

Of those who remain attached to FOC's:

- ❑ 56% recorded gains in net income
- ❑ 43% show long-term job retention of at least six months
- ❑ 42% increased credit scores
- ❑ 43% increased net worth



Financial Opportunity Centers – Summary

