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COMMUNITY AND ECONOMIC DEVELOPMENT ECONOMIC DEVELOPMENT

Issue Contents

Youthbuild Found Expensive Compared to Similar Programs

Youthbuild is expensive relative to other federally funded programs for disadvantaged young people, with an average cost per participant, excluding construction costs, of nearly \$15,000, according to a HUD evaluation report prepared by **Applied Real Estate Analysis** of Chicago.

The evaluation compared Youthbuild with Job Corps, JOBSTART, and the youth components of the Supported Work Demonstration (SWD) and the Job Training Partnership Act (JTPA). Job Corps is the only one of these programs that is currently active.

The Job Corps' costs of \$18,480 per participant are significantly higher than all of the other programs in the study primarily because it provides housing to participants and an array of intensive social services, the report says. Estimates for the other programs were: SWD, \$13,700; JOBSTART, \$6,000; and JTPA, \$3,900.

If the costs of housing construction were included, Youthbuild could even exceed Job Corps in cost per participant, researchers said, but these costs was not part of the study.

Program Impact

About 29 percent of all participants who entered Youthbuild without a high school credential succeeded in obtaining such a credential. This is lower than 47 percent for Job Corps and 42 percent for JOBSTART participants.

The Youthbuild findings show that as they left the program, 36 percent of participants at the 20 Youthbuild sites visited by researchers were employed.

This is lower than the rate for control groups in the comparison programs. A three-month follow-up for SWD graduates found that 42 to 51 percent were employed.

With a few exceptions, local HUD Youthbuild programs produce only a small number of affordable housing units, researchers found. The vast majority of grantees proposed producing between one and five housing units per grant period.

Housing construction activities provide good opportunities for youth to learn important jobs skills, the report says, but in most instances the training process is slow, and a relatively small number of units can be completed during each grant period.

("Evaluation of the Youthbuild Program" is available from www.huduser.org.)

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