IRIS, Metrics for Healthy Communities, and the Investor Perspective

IRIS Standards Series

June 28, 2017
Agenda

- The value of using aligned measurement standards
- How the Metrics for Healthy Communities & IRIS work together
- How the Healthy Neighborhoods Equity Fund assesses real estate projects that have the potential to create impact
- Q&A
Housekeeping Items

- Please mute all lines

- Q&A will be held until the end of the webinar. Please use the Chat function to ask your questions throughout the webinar.

- The deck and a recording will be posted after the webinar at www.thegiin.org

- For questions about today’s content, visit the IRIS website at www.iris.thegiin.org or contact irisinfo@thegiin.org
With You Today

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Health ≠ Health Care

93% of health care dollars spent on clinical care

10% Physical Environment

20% Clinical Care

30% Health Behaviors

40% Social and Economic Factors

Source: Adapted from the Greenlining Institute
Social Determinants of Health Impacts
Preventable Diseases

$2.75 trillion or 86% of health care costs are due to chronic disease

$1.24 trillion due to health inequalities

Sources: Centers for Disease Control and Prevention, “The Economic Burden of Health Inequalities in the U.S.” (2009), Joint Center for Political and Economic Studies
Social Determinants of Health: An Investable Opportunity

- Quality Schools
- Stable Housing
- Good Health Care
- Reliable Transportation
- Consistent Employment
- Healthy Foods
- Public Safety
Social Determinants of Health Are Place-Based

Source: Robert Wood Johnson Foundation & Center on Society and Health, Virginia Commonwealth University
Community Investment: An Action Arm for Addressing SDOH

Community Investment

Social Determinants of Health

Economic Mobility + Health Equity

For more on Community Investing, see: Hacke R and Deane KG. 2017. “Improving Community Health by Strengthening Community Investment Roles for Hospitals and Health Systems.” Published by the Robert Wood Johnson Foundation.
Why IRIS?

Generally-accepted metrics enable capital to flow toward investments that perform well financially, socially & environmentally.
IRIS Enables Comparisons

My Metrics

Client Individuals = Client Individuals

Your Metrics

Client Individuals: Total

Number of unique individuals who were clients of the organization during the reporting period.

ID: PI4060
IRIS is the most widely used impact performance metrics catalogue

Figure 44: How social/environmental performance is measured

n = 209; respondents could select multiple options. Number of respondents selecting each option shown above each bar.

Through proprietary metrics and/or frameworks that are not aligned to any external frameworks or methodologies: 156
Through qualitative information: 136
Through metrics that are aligned with IRIS: 119
Through standard frameworks and assessments such as GRI, SASB, etc.: 66
We do not measure social/environmental performance: 2

Note: Respondents that said they do not measure their social/environmental performance noted that they invest in companies whose impact is embedded in their products and services.

Source: GIIN
A Sample of IRIS Users
IRIS Connects the ‘Alphabet Soup’
Linking IRIS & MHC

Value for Impact Investors

- Consistent metrics make it possible to aggregate performance across a number of investments, and allows for benchmarking and comparability

- Enables the measurement, articulation and demonstration of the financial and non-financial performance of an organization against best standards and practices

- Reduces burden of reporting similar information in multiple different frameworks, allowing for more time spent to improve practices
MISSION:
To catalyze and support collaboration across the health and community development sectors, together working to improve low-income communities and the lives of people living in them.
MeasureUp

Welcome to MeasureUp, a microsite of resources and tools to help you measure and describe your programs’ impact on families and communities and on factors related to health. MeasureUp provides examples, tools, and resources to help you make your case, without having to become an economist.

You can dip your toe into the topic or dive deep. You can learn about how to map issues in your community or see how other groups are measuring impact and the tools they use. Read stories about communities that have used health metrics in community development work. And if you want to design your own study, you can do that too. If you need to make your case to a funder or policymaker, read about the evidence for a link between health and community.

Here’s what’s available:

- Mapping Tools
- Measurement Tools
- Evidence Base
- Measurement Stories
- Deeper Dive

Learn more at: www.buildhealthyplaces.org/measureup
Metrics for Healthy Communities
Building a culture of health through better measurement.

What is Metrics for Healthy Communities?

Designed with cross-sector collaboration in mind, Metrics for Healthy Communities is a site to get you started in planning for and measuring the impact of initiatives funded and developed to improve community health and well-being.

This site can help you evaluate community health improvement initiatives, especially cross-sector initiatives. You'll find tools to help define goals, identify appropriate measures to inform progress over time, and use available data. This site can serve as a resource for measuring the impacts of community development and health initiatives.
# MHC’s Cornerstone: Logic Models

<table>
<thead>
<tr>
<th>SDOH Domains</th>
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<tbody>
<tr>
<td>Affordable Housing</td>
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<tr>
<td>Childcare Center</td>
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<tr>
<td>Community Health Center</td>
<td></td>
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<tr>
<td>Fresh Produce Access</td>
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<tr>
<td>Physical Activity</td>
<td></td>
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<td>Supportive Housing</td>
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</tbody>
</table>

Source: [www.metricsforhealthycommunities.org](http://www.metricsforhealthycommunities.org)
Logic Models Connect Inputs to Outcomes

**Affordable Housing**

**INPUTS**
- Community plans
- Evidence-based practice literature
- Location, site
- Source of funds
- Staffing

**ACTIVITIES**
- Construction
- Financing affordable housing (new or rehab)
- Financing on-site facilities for physical activity (e.g., green space, walking path, playground equipment, community recreation room)
- Using building materials that reduce asthma problems

**OUTPUTS**
- Affordable housing units (number of)
- Community gatherings held (number of)
- Community recreation room users (number of)
- Dollars invested (amount of)
- Individuals housed (number of)
- Path miles (number of)
- Playground equipment users (number of)
- Walking path users (number of)

**OUTCOME MEASURES**

**SHORTER-TERM OUTCOMES**
- (Changes In Access/awareness)
  - Access to exercise opportunities increases
  - Adverse childhood experiences decrease
  - Asthma trigger exposure decreases
  - Asthma problems among children decrease
  - Health and well-being self-reports improve
  - Overcrowded housing decreases
  - Physical activity increases
  - School attendance increases
  - School mobility of children decreases
  - Sense of community (social connectedness) increases

**MEDIUM-TERM OUTCOMES**
- (Changes in Individual Behavior)
  - Housing affordability increases
  - Housing quality improves
  - Disability rates for chronic conditions decrease
  - Emergency room admissions decrease
  - Graduation rate increases
  - Health disparities decrease
  - Housing conditions improve
  - Housing cost burden decreases
  - Mental health problems decrease
  - Obesity rate decreases
  - Property values increase
  - Voter turnout rate increases

**LONGER-TERM OUTCOMES**
- (Changes in Population Health Changes in Community Conditions)
  - Academic proficiency scores increase
  - Commercial development increases
  - Diabetes rate decreases
  - Disability rates for chronic conditions decrease
  - Emergency room admissions decrease
  - Graduation rate increases
  - Health disparities decrease
  - Housing conditions improve
  - Housing cost burden decreases
  - Mental health problems decrease
  - Obesity rate decreases
  - Property values increase
  - Voter turnout rate increases

Source: [www.metricsforhealthycommunities.org](http://www.metricsforhealthycommunities.org)
Logic Models: A Framework for Health Investments

• Connects investments to specific outcomes
• Helps investors see the connections between place-based investments to health
• Facilitates shared metrics for cross-sector collaboration
• Enables more community investments that achieve economic mobility and health equity
An Example of Linking MHC and IRIS

**Land Directly Controlled: Cultivated (OI1674)**

*Area of land* directly controlled by the organization and under cultivation. Report directly controlled land area cultivated during the reporting period.

**Student Tests Pass Rate (PI8372)**

*Percentage of school students passing standardized tests* set by a regional governance body during the reporting period.

**Fresh Produce Access Logic Model Indicator (Outputs)**

Community garden plots (number of)

**Affordable Housing Logic Model Indicator (Longer Term Outcomes)**

Academic proficiency scores increase
The Investor Perspective: Healthy Neighborhoods Equity Fund
Healthy Neighborhoods Equity Fund (HNEF)

- HNEF is a $30 Million pilot private equity fund investing in Massachusetts Transit Oriented Development (TOD) projects with a vision to improve community health outcomes through intentional investments in the built environment

- Patient equity fills a funding gap for mixed income mixed use real estate projects in transitional neighborhoods

- HNEF is a pioneering proof-of-concept fund with potential for national replicability focused on health outcomes and triple bottom line results

- The Fund is co-sponsored by the Conservation Law Foundation Ventures (CLF Ventures) and the Massachusetts Housing Investment Corporation
HNEF Approach

• CLF commissioned an independent Health Impact Assessment (HIA) to examine the potential health impacts that could result from Transit-Oriented Development (TOD)

• Based on the health determinants identified by the HIA, CLF developed a score card to screen both neighborhoods and projects for investment
## Neighborhood Health Determinants

<table>
<thead>
<tr>
<th>Health Determinant</th>
<th>Health Outcomes</th>
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<tbody>
<tr>
<td>Walkability/Active Transport</td>
<td>Physical activity, mental health, chronic disease</td>
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<tr>
<td>Safety from Crime</td>
<td>Injury, physical activity, mental health, real and perceived safety</td>
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<tr>
<td>Economic Opportunity</td>
<td>Economic stability</td>
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<tr>
<td>Food Access</td>
<td>Nutrition, chronic disease</td>
</tr>
<tr>
<td>Safety from Traffic</td>
<td>Injury, air quality, real and perceived safety</td>
</tr>
<tr>
<td>Affordable Housing</td>
<td>Economic stability</td>
</tr>
<tr>
<td>Green Housing</td>
<td>Exposure to environmental contaminants, chronic disease</td>
</tr>
<tr>
<td>Green Space</td>
<td>Physical activity, mental health, air quality</td>
</tr>
<tr>
<td>Social Cohesion</td>
<td>Mental health</td>
</tr>
<tr>
<td>Displacement/Gentrification</td>
<td>Mental health, economic stability</td>
</tr>
<tr>
<td>Air Quality</td>
<td>Air quality</td>
</tr>
<tr>
<td>Environmental Contamination</td>
<td>Exposure to environmental contaminants</td>
</tr>
</tbody>
</table>

*Source: Healthy Neighborhoods Equity Fund Health Impact Assessment: Metropolitan Area Planning Council, 2013*
## HNEF Approach

<table>
<thead>
<tr>
<th>Neighborhood Screen</th>
<th>Project Screen</th>
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<tbody>
<tr>
<td>Community Support</td>
<td>Neighborhood walkability</td>
</tr>
<tr>
<td>Opportunity to reduce health disparities</td>
<td>Housing choice and affordability</td>
</tr>
<tr>
<td>Access to multi-modal transit</td>
<td>Community safety</td>
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<tr>
<td>Opportunity to advance regional equity</td>
<td>Green space and recreational access</td>
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<tr>
<td></td>
<td>Transit supportive development</td>
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<tr>
<td></td>
<td>Healthy food access</td>
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<td></td>
<td>Transformative Impact</td>
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<tr>
<td></td>
<td>Economic opportunity</td>
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<tr>
<td></td>
<td>Indoor air quality</td>
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<tr>
<td></td>
<td>Building and site performance</td>
</tr>
</tbody>
</table>
HNEF Use of Data

• Each potential investment must meet HNEF fund sponsors’ underwriting as well as impact criteria.

• Each project is assigned a neighborhood and project score. Investments which have a combined score for moderate, high, or very high impact, and which meet underwriting criteria, go to investment committee for final approval.

• The screening process enables Fund Sponsors to influence the design of the project, often without significantly affecting cost.

• The screening process also establishes baseline data against which we can measure progress over time on key indicators.

• Data is collected from a myriad of sources including project sponsors, the Massachusetts Area Planning Council, MA Department of Public Health, and an independent consultant with a trademarked assessment process for neighborhood walkability.

• Data is compiled by CLF Ventures, one of the fund sponsors, and reported to the fund manager, the investment committee, and ultimately investors.
Value of measuring impact

- Impact returns attract different classes of capital, align public capital sources, and unlock new private capital.
- Multidimensional metrics enable effective targeting of issues and geographies in need of impact capital, deepen impact, and allow monitoring over time.
- Increasingly, complex social and environmental challenges require the reframing of issues based on multi-dimensional levels.

+ Economic
+ Environmental
+ Community Returns = Healthy Communities

- Increased real estate values
- Improved tax base
- Lower healthcare costs
- Reduced VMT
- Increased transit ridership
- Reduced GHG emissions
- Quality housing for all income levels
- Safer, more walkable neighborhoods
- Access to jobs and economic mobility
- Improved health and well-being

clf.org/hnef
Questions?

Have thoughts or feedback? Email us: iris@thegiin.org

Find additional guidance materials on the linkage at www.iris.thegiin.org

Find the full Metrics for Healthy Communities at www.metricsforhealthycommunities.org

Find the other webinars and further information on impact investing at www.thegiin.org