Agency Priority Goal Action Plan

Enhance Rental Assistance

Goal Leader:

Hunter Kurtz, Assistant Secretary for Public and Indian Housing

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Overview

Goal Statement

- o Agency Priority Goal for FY20-21: By September 30, 2021, enhance rental assistance by transitioning an additional 64,550 Public Housing units to a more sustainable financial platform.*

Challenge

- o Today, approximately 2.5%** of nearly one million Public Housing units are currently off-line and 10.3%*** of properties are in poor condition according to inspection scores.

- o The regulatory structure for managing public housing units can limit PHAs' abilities to adequately address physical needs.

Opportunity

- o Maximize local decision-making and control over both affordable housing assets and resources.

- o Expand, improve, and streamline the available strategies to repositioning public housing units (Rental Assistance Demonstration (RAD), Section 18 Demolition/Disposition, Voluntary & Required Conversions, Declaration of Trust (DOT) Release) for PHAs of all sizes to better manage the long-term sustainability of their affordable housing portfolios.

*Transition 30,250 public housing units in FY20 and 34,300 in FY21 to a more sustainable platform
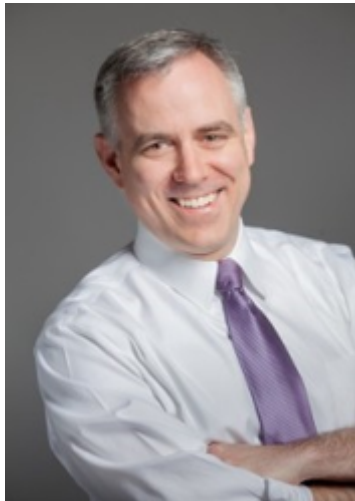**Based on the Development Detail Report using only the "Vacant – HUD Approved" and "Non-Dwelling" unit categories.
***Based on PASS Scores for properties scoring between 0-59 points, as a percentage of all Public Housing properties between Jan 1-March 31, 2020 across the inventory

Leadership

Hunter Kurtz
Assistant Secretary
Public and Indian Housing

Tom Davis
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Housing, Office of Recapitalization

Dominique Blom
General Deputy Assistant Secretary
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Goal Structure & Strategies

The Public Housing program provides affordable housing to nearly one million families nationwide. However, the current structure and fiscal constraints of the program limit the flexibility of Public Housing Agencies (PHAs) to efficiently operate housing, minimize costs, and provide owners with access to critical financial resources to recapitalize the portfolio.

HUD has leveraged existing programs and published notices with supplemental guidance on how to best reposition public housing properties, with a focus on increasing PHA flexibility and streamlining HUD processes. Under these revised policies, PHAs and their communities have more control over managing their affordable housing resources to address local needs.

HUD's strategy to provide technical assistance and training on the revised policies to reposition public housing units will help reduce operational constraints on PHAs and increase their ability to develop locally appropriate strategies. Headquarters and field staff have attended conferences around the country and hosted numerous virtual trainings for PHA staff on how best to utilize available options to reposition units.

Summary of Progress – FY20 Q2

In FY20 Q2, HUD transitioned 6,992 public housing units to different platforms as part of the Department's strategy to help PHAs better meet the needs in their communities. Overall, from FY18 Q1 through the end of FY20 Q2, HUD has transitioned 82,173 units. In FY20 Q2, 3,613 public housing units were repositioned through the Rental Assistance Demonstration (RAD), Demolition/Disposition approvals totaled 3,178 units, and DOT Releases/Conversions totaled 201.

Providing Technical Assistance (TA) to PHAs is a critical component in meeting HUD's repositioning goals. HUD's TA progress includes the following:

- Intro to Repositioning Webinars: Due to high demand in 2019, HUD has planned for three webinars in 2020. HUD held a webinar in February with 200 participants
- Repositioning Webinars (for specific topics): New for 2020, HUD is planning to hold nine webinars on specific issues related to repositioning. This commenced in mid-May and HUD completed two of these repositioning webinars.
- PHA Board Repositioning considerations: TA providers will produce a 45-minute video intended to introduce Boards to repositioning public housing units. (Target completion: late 2020)
- On-site trainings: In 2019, HUD trained a total of 106 people on-site in five locations. For 2020, HUD had ten on-site trainings scheduled from March-December 2020. Due to COVID-19, most of these in-person trainings have been moved to later in the calendar year.

HUD's ability to assess metrics associated with this APG goal has improved exponentially. HUD leveraged an existing business analytics contract to build an enhanced data analytics dashboard for use in FY20. This dashboard was completed in Q2 on schedule and will periodically be updated and tested to ensure its reliability. See slide 7 for more detail.

Key Milestones

Provide technical assistance and training to PHAs on new tools to reposition their local public housing units.

Milestone Summary				
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Comments
Provide Repositioning TA to PHAs of any size	2/28/2020	Complete	TA Cooperative Agreement awarded to Enterprise on July 1, 2019 and executed on September 4, 2019. Work plan for Q2 was established that allowed us to host additional webinars	1) One-on-One TA: Made available to PHAs of any size and have deployed this to 30 PHAs. 2) On-site trainings: HUD has postponed in-person trainings during COVID-19 pandemic. 3) Intro to Repositioning Webinars TA: HUD has given two webinars already , the second one was held on February 20th with more to follow the rest of the FY. 4) Repositioning Webinars (specific topics) TA: New for 2020, HUD is planning to hold nine webinars on specific issues related to repositioning starting in mid-May. TA provider is handling webinar logistics (registration, recording, etc.). 5) PHA Board Repositioning considerations: TA provider will produce a 45-minute video intended to introduce Boards to repositioning public housing units. (Target completion: late 2020)

Key Milestones

A MicroStrategy dashboard was created in FY19, which consolidated PIH's data tracking from various sources for the first time. HUD increased this dashboard's capabilities in FY20 to better meet the needs of PIH's staff and for reporting accuracy.

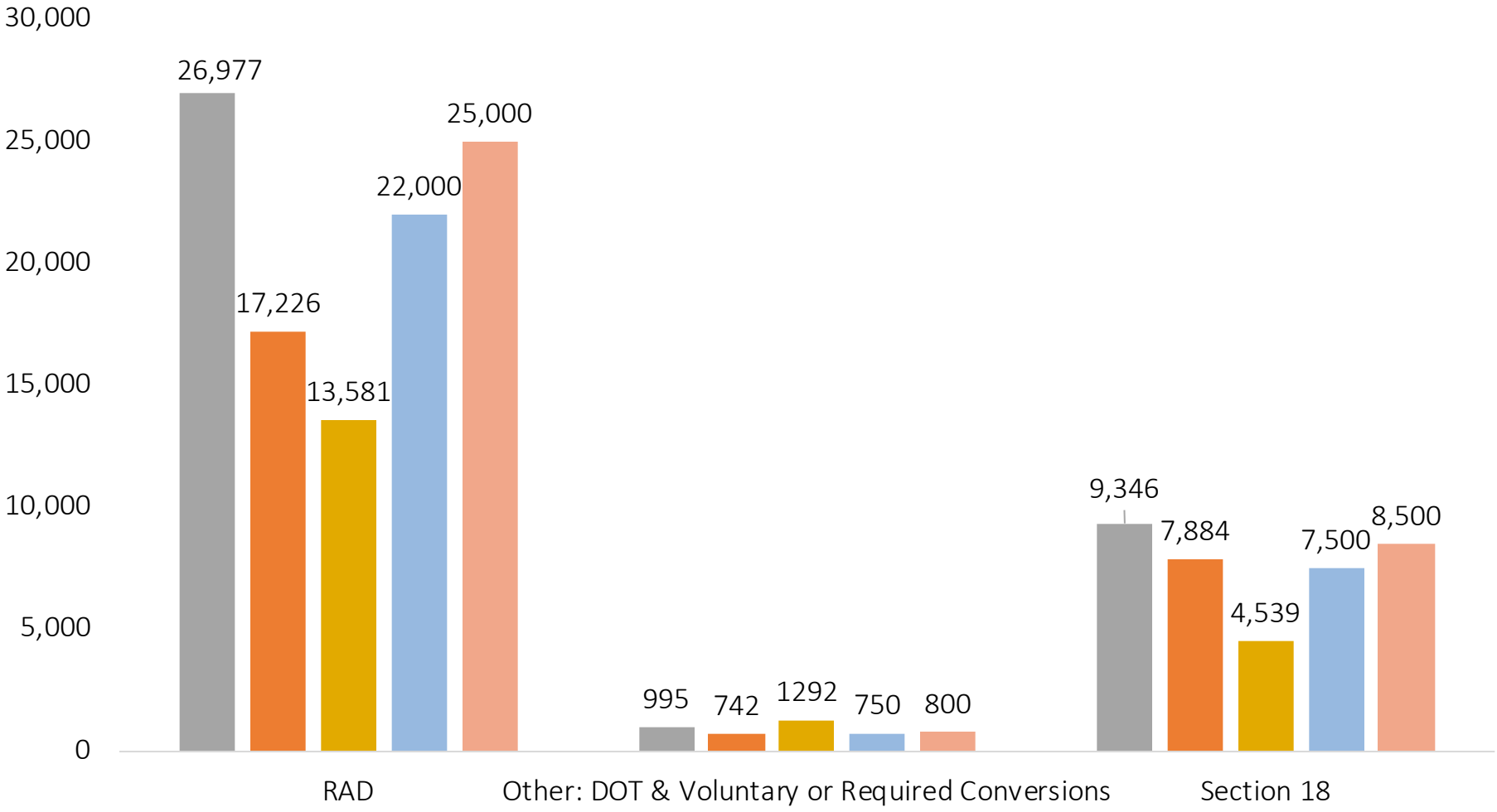| Milestone Summary				
Key Milestone	Mileston e Due Date	Milestone Status	Change from last quarter	Comments
Deploy an enhanced data analytics dashboard for repositioning	3/31/20	Complete	N/A	The new capabilities include leading metrics such as pipeline data detailing the number of applications PIH has in pre-approval stages, trending analytics showing our application count changes over time, drill down capabilities by application type, PIH network, Field Office, and PHA, as well as a tracker for application processing times between the submission and approval phases.

Key Milestones

COVID-19

COVID-19 has presented a number of challenges related to HUD's repositioning goal. Despite these challenges, HUD has made substantial progress because of work performed in the previous quarters leading up to the pandemic by HUD staff. Additionally, a robust pipeline was created thanks to the previous outreach and trainings performed by HUD field staff and technical experts. HUD also streamlined its internal processing of various repositioning applications, cutting the Department's review times in some cases by over 50 percent.

HUD has already surpassed the Department's FY20 goals for DOT & Conversions and projects that the Section 18 Demolition/ Disposition goal is attainable. Only time will tell what the economic recovery will look like and how that will impact HUD's RAD repositioning goal. HUD will continue to adapt to changes while balancing the Department's COVID-19 response and repositioning effort. Embracing technology will further enable HUD to provide a number of repositioning trainings virtually. Lastly, HUD's transition to teleworking has been successful due to the continued hard work and dedication of HUD staff.

Key Indicator

Number of Public Housing Units Transitioned to a Sustainable Platform Per Fiscal Year, FY18-20 Actuals as of 03/31

Legend: ■ FY18 Actual ■ FY19 Actual ■ FY20 Actual ■ FY20 Target ■ FY21 Target

Category	FY18 Actual	FY19 Actual	FY20 Actual	FY20 Target	FY21 Target
RAD	26,977	17,226	13,581	22,000	25,000
Other: DOT & Voluntary or Required Conversions	995	742	1292	750	800
Section 18	9,346	7,884	4,539	7,500	8,500

Data Accuracy and Reliability

Rental Assistance Demonstration (RAD)
- **Description:** Number of Public Housing (PH) units transitioned to the Section 8 platform through the RAD program.
- **Data source:** RAD Resource Desk.
- **Calculation method:** Number of units in transactions that closed within the time period as recorded in the RAD Resource Desk.
- **Data quality (limitations/advantages of the data):** The RAD Resource Desk contains all information on each individual RAD transaction, including the documentation evidencing that a closing has occurred. All transactions are recorded in IMS/PIC within seven (7) days of closing.
- **Validation, verification, and improvement of measure:** The IMS/PIC system records the current status of all public housing inventory removals. Closings in the RAD Resource Desk are compared monthly to unit removals from the IMS/PIC system to ensure accounting consistency. The Office of Recapitalization maintains the RAD Resource Desk. The IMS/PIC system is maintained by PIH. Both systems are reviewed and updated regularly by Public Housing Agencies (PHAs).

Other: Voluntary or Required Conversions, Declaration of Trust Release, etc.
- **Description:** Number of Public Housing (PH) units approved for removal from Annual Contributions Contract/ Declaration of Trust (ACC/DOT) through Voluntary or Required Conversion, DOT release, or other repositioning strategies.
- **Data source:** Inventory Management System/Public and Indian Housing Information Center (IMS/PIC)
- **Calculation method:** Based on units approved for conversion within the time period as recorded in IMS/PIC
- **Data quality (limitations/advantages of the data):** PHAs begin the process by applying in IMS/PIC. HUD processes the application and then approvals are recorded in IMS/PIC. Once the units are removed from the ACC/DOT, they are removed from IMS/PIC within seven (7) days of the removal action by the Special Applications Center (SAC). Staff ensure that data is valid during the reviews of applications and upload this data to PIC .
- **Validation, verification, and improvement of measure:** The SAC maintains an Assignment Tracker as a back-up spreadsheet with all transactions listed and verifies data in the IMS/PIC system.

Section 18 (Demolition/Disposition)
- **Description:** Number of Public Housing (PH) units transitioned from Annual Contributions Contract/ Declaration of Trust (ACC/DOT) through demolition or disposition under Section 18.
- **Data source:** Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC)
- **Calculation method:** Based on units transitioned in transactions that were approved within the time period as recorded in IMS/PIC
- **Data quality (limitations/advantages of the data):** PHAs begin the process by applying in IMS/PIC. HUD processes the application and then approvals are recorded in IMS/PIC. Once units are actually removed from the ACC/DOT, IMS/PIC is further updated within seven (7) days of the removal action by the Special Applications Center (SAC). Staff ensure that data is valid during the reviews of applications.
- **Validation, verification, and improvement of measure:** The Special Applications Center (SAC) maintains a back-up spreadsheet with all transactions listed and checks in the IMS/PIC system.

Additional Information

Contributing Programs

Organizations:

- o Office of Public and Indian Housing (PIH)
- o Office of Housing

HUD Program Activities:

- o Rental Assistance Demonstration (RAD)
- o Section 18 Demolitions and Dispositions
- o Voluntary and Required Conversions
- o Declaration of Trust (DOT) Releases

Stakeholder / Congressional Consultations

The Department has consulted and will continue to consult with residents, Public Housing Agencies (PHAs)/owners, and industry group leaders while implementing the strategy to transition Public Housing units to a more sustainable financial platform.