



Agency Priority Goal Action Plan

# Enhance Rental Assistance

## Goal Leader:

Hunter Kurtz, Assistant Secretary for Public and Indian Housing

# Overview

## Goal Statement

- Over the course of FY21, enhance rental assistance by transitioning an additional 31,012\* Public Housing units to a more sustainable financial platform.

## Challenge

- Approximately 2.5%\*\* of nearly one million Public Housing units are off-line and 10.3%\*\*\* of properties are in poor condition according to inspection scores.
- The regulatory structure, market changes, community needs, and access to capital create challenges which limit a PHAs' ability to manage their public housing stock.

## Opportunity

- Maximize local decision-making and control over both affordable housing assets and resources.
- Expand, improve, and streamline the available strategies for 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.

\*In FY20, transitioned 31,232 public housing units surpassing the FY20 target of 30,250. The target in FY21 has been adjusted from 34,300 to 31,012 to better reflect forecasted changes in local needs/market changes. This new target for FY21 is still on track to meet the 125K threshold established in FY18.

\*\*Based on the Development Detail Report using only the "Vacant – HUD Approved" and "Non-Dwelling" unit categories in FY20.

\*\*\*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**  
Director  
Housing, Office of Recapitalization



**Dominique Blom**  
General Deputy Assistant Secretary  
Public and Indian Housing

# Goal Structure & Strategies

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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 Q4

In FY20 Q4, HUD transitioned 6,521 public housing units to different platforms as part of the Department's strategy to help PHAs better meet the needs in their communities. In FY20 Q4, 4,363 public housing units were repositioned through the Rental Assistance Demonstration (RAD), Demolition/Disposition approvals totaled 1,886 units, and DOT Releases/Conversions totaled 217. The total number of units repositioned in FY20 Q1-Q4 is 31,232.

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 hosted three webinars in FY2020 with 6 more planned through December 2020. Each webinar averages 200 participants.
- **Repositioning "Wednesday Webinars" (for specific topics):** HUD hosted six webinars on specific issues related to repositioning. This commenced in mid-May of 2020 and will continue into December of 2020. A total of 1,123 people participated. Each is recorded and available on the HUD Exchange webpage.
- **Virtual Repositioning Roundtables:** HUD leveraged Zoom to host small group repositioning discussions. These trainings provide PHAs and their Boards an opportunity to meet with HUD program experts and develop repositioning strategies to best serve their local needs.
- **PHA Board Repositioning considerations:** TA providers produced a 45-minute video intended to introduce Boards to repositioning public housing units. (Target completion: late CY 2020)
- **Field Office trainings:** In FY 2019, HUD trained a total of 106 people on-site in five locations. For FY 2020, HUD hosted 9 on-site trainings totaling 204 people. Due to COVID-19, we pivoted towards virtual trainings, a strategy we plan to continue well into the future.
- **Joint Office of Recapitalization team and Special Applications Center presentations** at the RAD Convening event in June with approximately 300 attendees and at the the New Jersey National Association of Housing and Redevelopment Officials event where about 35 PHAs were in attendance.

HUD's ability to assess metrics associated with this APG goal has improved significantly. 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	Ongoing	TA Cooperative Agreement awarded to Enterprise on July 1, 2019 and executed on September 4, 2019. A work plan was established that allows us to readjust our strategy and host more webinars.	<ul style="list-style-type: none"> <li>1) One-on-One TA: Made available to PHAs of any size and have deployed this to 40 PHAs.</li> <li>2) Field Office Trainings: HUD has provided 9 of the 10 trainings we originally planned to give. Due to COVID-19, HUD pivoted to virtual trainings.</li> <li>3) Intro to Repositioning Webinars TA: HUD provided three webinars.</li> <li>4) Repositioning "Wednesday Webinars" (specific topics) TA: New for 2020, HUD held 6 webinars on specific issues related to repositioning starting in mid-May. TA provider handled webinar logistics (registration, recording, etc.). 1,123 people participated. 4 additional webinars are scheduled for the remaining calendar year.</li> <li>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)</li> </ul>

# 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	Milestone 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

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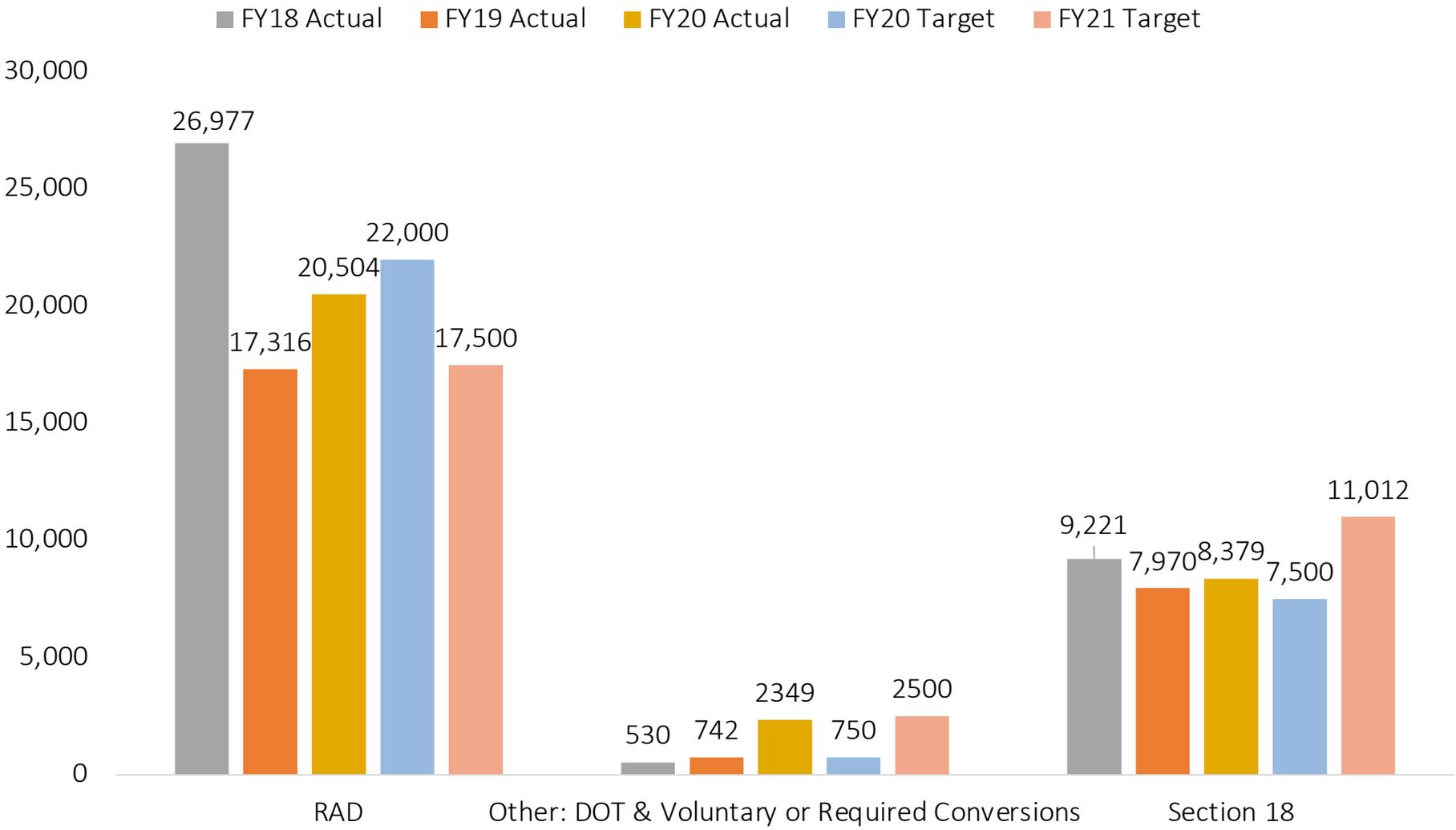
## COVID-19

COVID-19 presented a number of challenges related to HUD's repositioning goal. Despite these challenges, HUD was able to exceed the FY20 goals because of work performed in the previous quarters leading up to the pandemic. Additionally, a robust pipeline was created thanks to the outreach and trainings performed by HUD field staff and technical experts when we pivoted from in-person trainings to Virtual Repositioning Roundtables, held Zoom repositioning trainings, and virtual PHA-requested TA. Leveraging technology enabled HUD to provide trainings virtually to a larger audience, a change HUD believes can be leveraged far into the future. HUD also streamlined its internal processing of various repositioning applications, cutting the Department's review times down considerably.

HUD saw some PHAs, particularly smaller and medium-sized PHAs, marshalling their leadership bandwidth to focus on COVID response beginning in the Spring. Progress to implement some transactions – particularly the more complex RAD financing transactions – slowed with the onset of COVID, but the pace of movement recovered as the summer progressed. Lastly, HUD's ability to swiftly transition to teleworking and overcome the challenges related to COVID-19 is a testament to the resiliency and dedication of its staff.

# Key Indicator

## Number of Public Housing Units Transitioned to a Sustainable Platform Per Fiscal Year, FY18-20 Actuals as of 06/30



\*Actuals in FY18 and FY19 were updated via the PIH Repositioning Dashboards

# 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

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## Contributing Programs

Organizations:

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

HUD Program Activities:

- Rental Assistance Demonstration (RAD)
- Section 18 Demolitions and Dispositions
- Voluntary and Required Conversions
- 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.