



Agency Priority Goal Action Plan

Enhance Rental Assistance

Goal Leader:

Dominique Blom, General Deputy Assistant Secretary for Public and Indian Housing

Overview

Goal Statement

- Enhance and reform HUD's rental assistance programs by providing sustainable models to empower communities to address local affordable housing needs. HUD will transform assisted housing by transitioning 105,000 additional Public Housing units to a more sustainable platform by the end of FY 2019.

Challenge

- Today, 9% of nearly a million Public Housing units are currently off-line and an additional 15% of the public housing portfolio is in poor condition according to inspection scores.
- The regulatory structure for the public housing program is cumbersome and limits PHAs' abilities to adequately address program needs.

Opportunity

- Maximize local decision-making and local control over both public housing assets and resources.
- Expand, improve, and streamline the available tools [Rental Assistance Demonstration (RAD), Section 18 Demolition/Disposition, Voluntary Conversions, Declaration of Trust (DOT) Release] for PHAs of all sizes to make better decisions about the long-term sustainability of their public housing portfolios.

Leadership

Core Team:

Dominique Blom, General Deputy Assistant Secretary
Public and Indian Housing

Danielle Bastarache, Director
Deputy Assistant Secretary Office of Policy Programs and Legislative Initiatives

Tom Davis, Director
Housing, Office of Recapitalization

Goal Structure & Strategies (1 of 2)

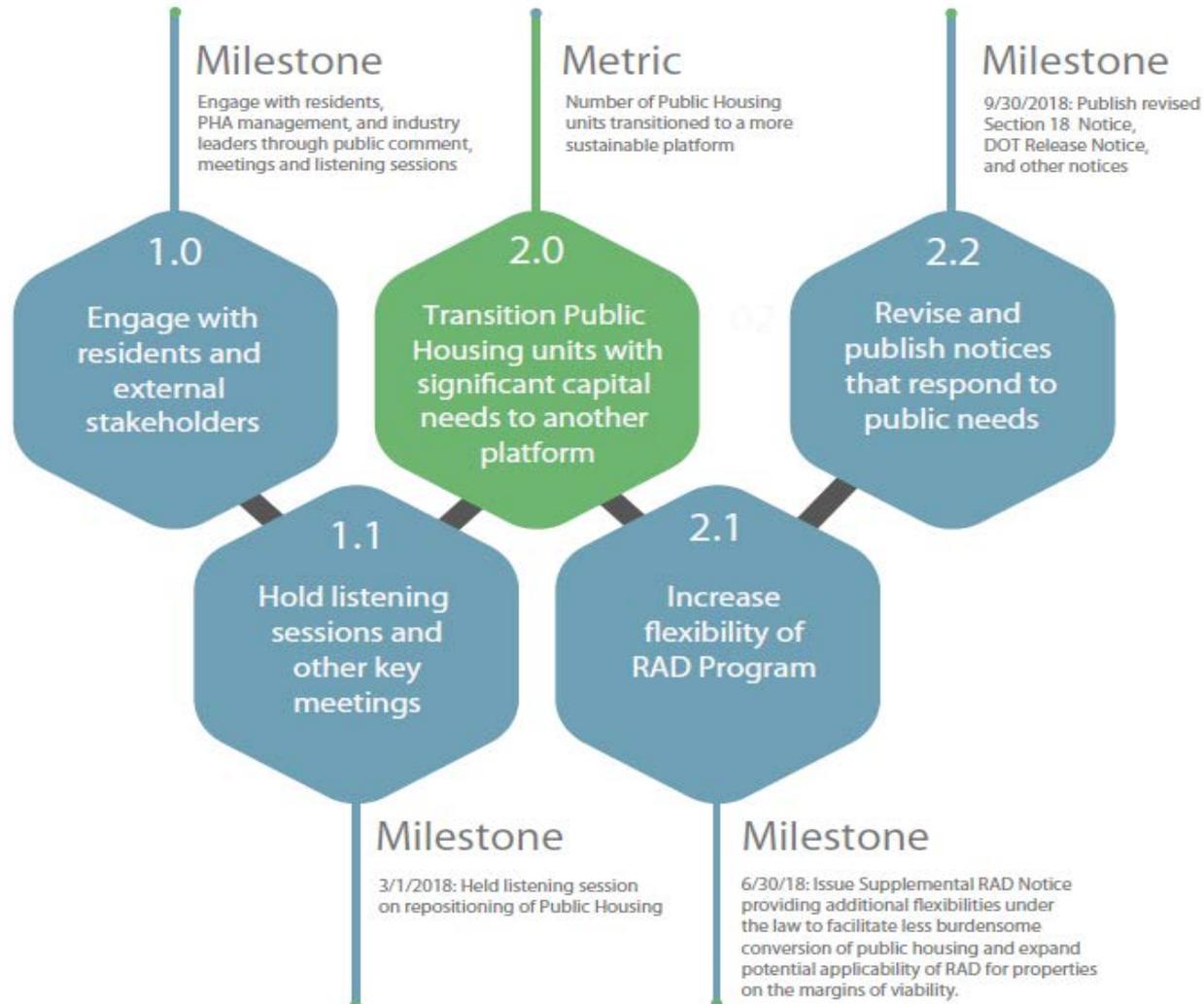
The Public Housing program provides affordable housing to nearly one million families nationwide. However, the current structure and fiscal constraints of the program limit the flexibility of Public Housing Agencies (PHAs) to efficiently operate housing, minimize costs, and provide access to critical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

HUD's strategies for transforming the Public Housing portfolio have already reduced costs and increased access to resources. For example, the Housing Authority of Racine County has converted all but eight units within their portfolio through RAD to PBVs. Under the new Section 18 notice, they were able to sell those eight units to a third party who will now own and manage the units, which reduced over head and administrative costs.

HUD has conducted listening sessions to engage with PHA managers and industry experts on the repositioning of Public Housing units. HUD has begun leveraging existing programs and newly published supplemental notices on how to best transition hard-to-manage properties to more sustainable platforms. Under these new policies, PHAs and their communities have more control over managing their housing needs.

Transform Assisted Housing

by transitioning 105,000 public housing units to a more sustainable platform by the end of FY2019



Summary of Progress – FY 18 Q3

So far in FY 2018, HUD has transitioned 31,645 Public Housing (PH) units to different platforms as part of the Department's strategy to provide Public Housing Authorities (PHAs) access to tools for recapitalizing the PH portfolio. These transitions represent 30 percent of progress made towards HUD's goal of transitioning 105,000 units by the end of FY 2019.

RAD comprised 23,059 units (or 73% percent) of PH conversions so far in FY 2018, with 6,530 units in Q3 alone. In addition, 7,864 units have been demolished or disposed through Q3, putting HUD on track to meet its FY 2018 target of 10,000 units transitioned using Section 18 authority. In service of this goal, HUD also published a notice intended to streamline the Section 18 process on March 22, 2018.

Key Milestones

Engage with residents, PHA management, and industry thought leaders on different rental housing program structures. This engagement will occur through public comment, listening sessions, and other meetings across the country.

Milestone Summary				
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Comments
Hold listening session on repositioning of Public Housing	4/12/2018	Complete	More listening sessions held on repositioning PH units.	PIH held a listening session with PHA groups on March 8, 2018. HUD held a listening session with PHAs and additional groups on March 9, 2018. HUD staff has held “HUD resource rooms” for PHA staff attending conferences (such as the National Association of Housing and Redevelopment Officials (NAHRO) conference). Many of HUD’s conversations with PHA management at these venues about repositioning Public Housing assets—have led to more in-depth technical assistance calls between HUD and PHA staff about repositioning options.
Issue Supplemental RAD Notice identifying and implementing additional flexibilities under the law to facilitate less burdensome conversion of public housing and expand the potential applicability of RAD	6/30/2018	Complete	Publication of Supplemental Notice	The RAD supplemental notice was published on July 2, 2018. This notice streamlines the conversion process for PHAs.

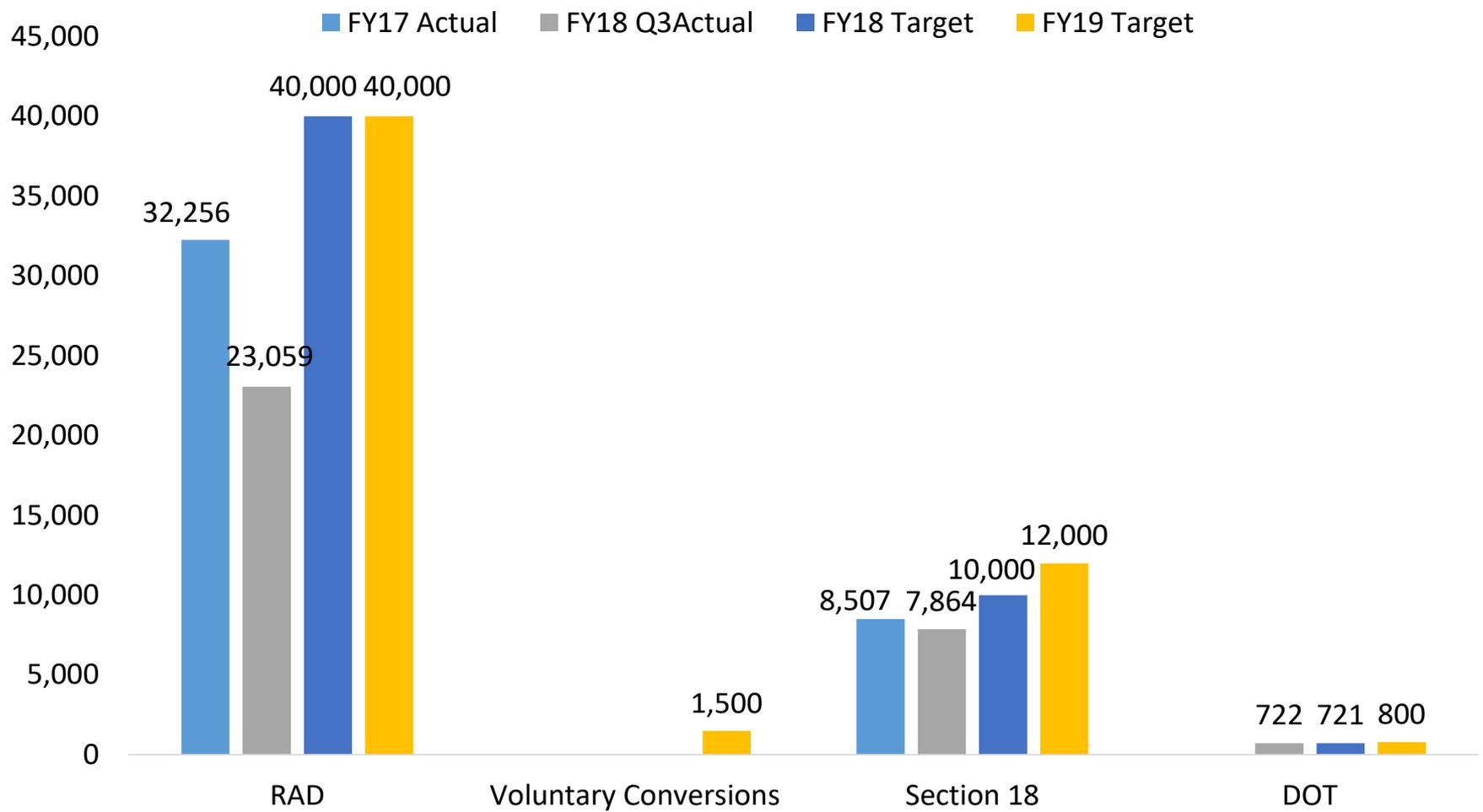
Key Milestones

Improve long term affordable housing options by encouraging Public Housing Authorities to transition Public Housing units with significant unmet capital needs to a more sustainable platform.

Milestone Summary				
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Comments
Publish Voluntary Conversions Notice, Revised Section 18 Demolition and Disposition Notice, Declaration of Trust Release Notice, and other Notices that respond to public engagement	9/30/2018	On-Track	Voluntary Conversion and DOT notices in Departmental Clearance	<p>The Section 18 Demolition and Disposition Notice was published on March 22, 2018. HUD staff are attending conferences to provide trainings to PHAs on the notice.</p> <p>To date, HUD staff have presented for to the Illinois Association of Housing Authorities Maintenance and Management Clinic in Decatur, IL (4/12/18), the NAHRO-Indiana conference in Fort Wayne, IN (5/1/18), and the NAHRO-Massachusetts conference in Cape Cod, MA (5/22/18).</p> <p>Currently, the Declaration of Trust Release and Voluntary Conversion notices are undergoing Departmental and OMB review.</p>

Key Indicators

Number of Public Housing Units Transitioned to a Sustainable Platform Per Fiscal Year, FY18-19 Targets



Note: Voluntary Conversions have a target and Q3 actual of zero units for FY18 because due to the projected timing for publication of the notice, HUD does not expect significant transitions using this process in FY18.

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.
- 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 data quality in the RAD Resource Desk, and IMS/PIC is reviewed and updated regularly by Public Housing Agencies (PHAs), and multiple offices within HUD.

Voluntary Conversion

- Description: Number of PH units transitioned from the Annual Contributions Contract/ Declaration of Trust (ACC/DOT) through Voluntary Conversion.
- Data source: Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC).
- Calculation method: Number of units transitioned in transactions that closed within the time period as recorded in IMS/PIC.
- Data quality (limitations/advantages of the data): Upon confirmation that all applicable requirements of the (streamlined) voluntary conversion notice and program have been met (including part 200 requirements), HUD staff releases the DOT on the property. Immediately thereafter, HUD staff modifies the data in IMS/PIC to document that the units have been removed from the public housing inventory and the DOT has been released.
- Validation, verification, and improvement of measure: The IMS/PIC system records the current status of all public housing inventory removals. The Special Applications Center (SAC) maintains a back-up spreadsheet with all transactions listed and verified in the IMS/PIC system. The data quality in IMS/PIC is reviewed and updated regularly by PHAs and multiple offices within HUD.

Data Accuracy and Reliability (Continued)

Section 18 (Demolition/Disposition)

- Description: Number of units approved for removal from the PH portfolio through demolition or disposition under the authority in Section 18 of the Housing Act of 1937, as amended.
- Data source: Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC).
- Calculation method: Number of units transitioned in transactions that closed within the time period as recorded in IMS/PIC.
- Data quality (limitations/advantages of the data): Upon confirmation that all applicable requirements of the (streamlined) voluntary conversion notice and program have been met (including part 200 requirements), HUD staff releases the DOT on the property. Immediately thereafter, HUD staff modifies the data in IMS/PIC to document that the units have been removed from the public housing inventory and the DOT has been released.
- Validation, verification, and improvement of measure: The IMS/PIC system records the current status of all public housing inventory removals. The Special Applications Center (SAC) maintains a back-up spreadsheet with all transactions listed and verified in the IMS/PIC system.

Declaration of Trust Release (Clean Release)

- Description: Number of PH units released from the Annual Contributions Contract/ Declaration of Trust (ACC/DOT) and the Public Housing Agency (PHA) retains title to the property.
- Data source: Inventory Management System/Public and Indian Housing Information Center (IMS/PIC).
- Calculation method: Number of PH units transitioned out of HUD authority through DOT release within the time period as recorded in IMS/PIC.
- Data quality (limitations/advantages of the data): Upon confirmation that all applicable requirements of the program have been met (including part 200 requirements), HUD staff releases the DOT on the property. Immediately thereafter, HUD staff modifies the data in IMS/PIC to document that the units have been removed from the public housing inventory and the DOT has been released.
- Validation, verification, and improvement of measure: The IMS/PIC system records the current status of all public housing inventory removals. The Special Applications Center (SAC) maintains a back-up spreadsheet with all transactions listed and verified in the IMS/PIC system.

Additional Information

Contributing Programs

Organizations:

- Office of Public and Indian Housing (PIH)
- Office of Housing
- Office of General Counsel
- Office of Fair Housing and Equal Opportunity

Program Activities:

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

Stakeholder / Congressional Consultations

The agency 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 platform.