

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT

BUDGET ACTIVITY 1: COMMUNITY PLANNING AND DEVELOPMENT

The consolidated discussion for the appropriation "Salaries and Expenses, HUD" is shown in Part 3 of the Justifications. All data are presented on a comparable basis for the 3 fiscal years: 2000, 2001, and 2002.

SCOPE OF ACTIVITY

The Office of Community Planning and Development's (CPD) mission is to enable the development of viable urban, suburban and rural communities by promoting integrated approaches to housing, and community and economic development that provide decent and affordable housing, a suitable living environment, and expanded economic opportunities for low- and moderate-income persons. The Assistant Secretary for CPD administers formula and competitive grant programs and guaranteed loan programs that help communities plan and finance their growth and development, and increase their capacity to govern and provide shelter and services for homeless persons and other persons with special needs, including persons with HIV/AIDS. CPD also administers certain Department wide functions, particularly the relocation and environmental functions. These responsibilities are carried out by CPD staff in Headquarters and in 43 field offices.

CPD is responsible for more than 20 programs, distributing close to \$8 billion annually, and through the Grants Management Process (GMP), oversees more than 1,000 grantees--States, cities and counties, across the nation. This process begins with grantees' submissions of their Consolidated Plans, elaborate local documents that detail how communities will spend their CPD program funds. The Consolidated Plan requires every community that receives CPD funds to assess their housing and community development needs, develop goals and articulate a plan to address those needs using CPD program and other funds. CPD staff are therefore charged with making sure that all of these programs are run effectively and efficiently. This involves regular monitoring visits by both Headquarters and field staff to ensure that communities are using HUD funds appropriately, enforcing timeliness and other program standards, resolving audit findings and facilitating the exchange of best practices.

Monitoring is a management control technique that is integral to the on-going process of assessing the quality of grantee performance over time. Monitoring provides information for making informed judgments about program effectiveness and management efficiency, as well as identifying instances of fraud, waste and abuse. CPD field offices will monitor the following grant programs: CDBG Entitlement, State and Disaster, HOME, Historically Black Colleges and Universities (HBCU), Homeless Assistance, Housing Opportunities for Persons with AIDS (HOPWA), Section 108 Loan Guarantees, Economic Development Initiative (EDI), Brownfields (BEDI), Loan Guarantee Recovery Fund, Youthbuild, Special Projects (Congressional earmarks), and Technical Assistance Grants and Cooperative Agreements.

Monitoring goals and objectives are articulated in the Business and Operating Plans (BOPs). CPD Headquarters offices establish national monitoring goals that are carried out at the local level. Local BOP action plans facilitate field staff efforts to develop local monitoring strategies, establish time-frames for completion of goals, and allocate resources for monitoring and other activities.

The Business and Operating Plan directly correlates with the Department's five strategic goals, established to carry out its mission. CPD programs contribute to all of these goals and will continue to develop and implement programs that:

Increase the Availability of Decent, Safe and Affordable Housing in American Communities. Communities receiving formula funds under the Consolidated Planning process must also establish local 5-year goals for affordable housing and homeownership to guide them as they use their annual allocations of CDBG, HOME, HOPWA and ESG funds. Each plan is implemented through 1-year action plans that specify the local projects and activities that will create new or rehabilitate existing multifamily and single family housing units affordable to low- and moderate-income households. The Consolidated Plan and Grants Management Process (GMP) provide the framework and tools for communities to develop coordinated approaches to providing various forms of housing assistance to both renters and homeowners. In addition, the Brownfields Redevelopment program contributes to this goal by enabling the removal of environmental hazards so that communities can reclaim land for housing and other purposes.

Ensure Equal Opportunity in Housing For All Americans. The more than 1,000 jurisdictions that participate in the HUD's Consolidated Planning process include fair housing objectives in their 5-year plans. Each must also certify that its Consolidated Plan is in compliance with the 1988 Fair Housing Act and all Federal regulations concerning Fair Housing. In addition, the fair housing provisions apply to most of CPD's other programs.

All recipients of formula funds must complete an analysis of impediments to fair housing choices in the jurisdiction to receive fair housing certification. The failure of a State or a community to develop an analysis of impediments to fair housing or to take reasonable action to address such impediments may result in the denial or loss of such formula funds until compliance is secured. This is a powerful tool for fair housing.

Promote Self-Sufficiency and Asset Development by Families and Individuals. CPD's Continuum of Care process enables families and individuals to move from homelessness to self-sufficiency, and ensures linkages with other housing and community development resources, such as the Section 8, CDBG, HOME and HOPWA programs. Further linkages with non-profit organizations, State and local governmental agencies, housing developers and service providers and local businesses are encouraged. Under the Continuum of Care, communities assess the gaps in their homelessness assistance strategies, and determine the most appropriate local responses and priorities.

The McKinney-Vento homeless assistance programs are specifically designed to reduce and prevent homelessness by creating housing opportunities and providing supportive services to homeless persons. HOME funds can provide tenant-based rental assistance to welfare recipients as they transition to jobs so that homelessness is avoided. The CDBG, Section 108 Loan Guarantee, and Brownfields Redevelopment programs all create jobs in communities so that low- and moderate-income persons can gain self-sufficiency. Finally, the Youthbuild program also provides skills and leadership training to disadvantaged youths to help them overcome obstacles to self-sufficiency.

Improve Community Quality of Life and Economic Vitality. The CDBG, Section 108, Youthbuild, EDI/CEF, HOME, HOPWA, Brownfields Redevelopment and the Empowerment Zone/Enterprise Community (EZ/EC) programs contribute to this goal. These programs emphasize both comprehensive and strategic, as well as more specific, approaches to the overall improvement of communities and the quality of life for those who live in them. Community 2020 Planning and Mapping software, along with the Consolidated Planning process, enables communities to participate in and monitor local decision-making processes, and track the implementation of approved projects.

Restore Public Trust in HUD. As Public Trust Officers (PTOs), CPD Headquarters and Field staff are responsible for protecting taxpayers interests and restoring the public's trust in the Department by ensuring that Federal funds are used appropriately and in compliance with laws and regulations. CPD PTOs will safeguard the public trust in communities across the country through effective and efficient program administration, including monitoring to ensure that grantees are using Federal funds for the purposes for which they were intended, and enforcement of applicable laws, regulations and policies. CPD staff are the front line for monitoring our programs in the field, but will refer significant problem cases to HUD's Enforcement Center, as necessary.

WORKLOAD

CPD administers grant programs that enable communities to plan and finance their growth and development; increase their capacity to meet local housing, community and economic development needs; and provide shelter and services for homeless persons, families, persons with special needs, and persons with HIV/AIDS and their families. In fiscal year 2002, CPD will continue its commitment to work with customers to ensure effective utilization of program funds by promoting what works and recognizing the best of local performance.

1. HEADQUARTERS

The Assistant Secretary and CPD program offices in Headquarters monitor the progress of field offices in implementing the GMP. Headquarters program offices assist in the resolution of policy issues with national impact, provide program policy and guidance and use an electronic GMP system to assess the management issues in each field office. The GMP system tracks the review of information coming into field offices and provides information on compliance concerns and how they are resolved locally.

2. FIELD

CPD Public Trust Officers (PTOs) in the field offices review local Consolidated Plans, consult (in collaboration with Community Builders) with the communities on these Plans, approve the Plans and execute grant agreements to make the funds available to the grantees. The Grants Management Process also requires that CPD PTOs review, on an annual basis, the actual accomplishments of each community in implementing their plans and achieving their goals. GMP requires CPD staff to monitor the progress of communities as they move forward with the activities specified in their plans, and to make on-site visits, as necessary.

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TRAVEL

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
		(Dollars in Thousands)			
Travel	\$720	\$930	\$811	\$811	....
Total.....	\$720	\$930	\$811	\$811	....

CPD's fiscal year 2002 request for travel funds, is \$811,000. The bulk of these funds are used for CPD field staff to carry out their PTO responsibilities, including monitoring and assisting grantees use their Federal housing, community and economic development dollars in the most effective and efficient manner.

Travel funds will be required to carry out strategic objectives and BOP goals. In 2002, CPD is planning to increase the onsite reviews to 35 percent for formula grantees and 10 percent for competitive grants. Travel funds are also used by staff to provide technical assistance to communities in developing and implementing their local plans. Travel funds are also critical to maintain the partnerships with communities that are the cornerstones of effective service delivery.

On-site monitoring by Public Trust Officers is a particular priority, as the Department seeks to restore the public's trust in HUD's ability to prevent fraud, waste, and abuse in its programs. These efforts also address the Office of the Inspector General Semi-Annual Reports to Congress that have highlighted the need for more on-site monitoring of grantees. Ongoing needs also include the sharing of technical specialists (relocation, environmental, rehabilitation, financial) between offices, and enabling Field staff to carry out their heightened responsibilities in the areas of training and partnership with communities and non-profit organizations.

Travel for Headquarters staff is for ongoing outreach efforts to grantees, public interest groups, non-profit organizations and elected officials, to enlist their ideas and conduct consultations, monitoring, management requirements and support to HUD Field staff.

Section 805 of the 1992 Housing and Community Development Act mandated that the Secretary transfer \$545,000 in program funds to implement an ongoing training program for HUD officers and employees, especially field staff, responsible for administering Community Development Block Grant (CDBG) assistance and economic development projects. Some of these funds are used for travel to enable Headquarters and field staff to participate in relevant training opportunities. At the end of 2000, \$491,271 of the total had been used, leaving the remainder available for obligation in 2001 and future years.

CONTRACTS

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
		(Dollars in Thousands)			
Technical Services	\$545	\$1,600	\$2,499	\$2,499	....
Data and Statistical Services .	\$15	....	....	....	....
Public Information Services ...	....	\$100	....	....	....
General Support	\$441	\$206	\$700	\$700	....
Total.....	\$1,001	\$1,906	\$3,199	\$3,199	....

The principal categories in this object class are contracts for technical services, data and statistical services, public information services and other contracted support services. Funding of \$3.199 million is requested in fiscal year 2002 to enable CPD to procure the information, technical services and other support necessary for the implementation of our housing, community and economic development programs. In fiscal year 2001, \$1.3 million is funded for all activities (Departmentwide) related to the Notice of Funding Availability (SuperNOFA). For fiscal year 2002, CPD is requesting this same funding to carry out similar activities.

Other Services funds are also used to procure coding services to record data from grantee performance reports for all CPD programs, and for advisory services contracts to provide assistance, research, and analysis to the Assistant Secretary and senior management staff in the implementation of program, budget, and legislative changes, as necessary.

The administrative costs for the Section 108 Loan Guaranty program are budgeted in the Community Development Block Grants program account, as required by the Federal Credit Reform Act

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of 1990. Since 1996, pursuant to HUD's Appropriations Acts, funds have been transferred to and merged with the Departmental Salaries and Expenses Account. These funds will be used for staff salaries and administrative costs.

Other Services are required to support community outreach efforts related to CPD programs, such as, the Homeless Outreach Center, and the Veteran Resource Center, and other Departmental programs. These outreach efforts or programs, and Empowerment Zones, provide an opportunity to build partnerships between Federal, State, and local governments and non-profit groups, and to work together to develop comprehensive, coordinated approaches to dealing with community problems.

Finally, all other contract services are required to fund miscellaneous requirements for visual arts, training, not provided through the HUD Training Academy, temporary clerical support, and other administrative services.