

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
SALARIES AND EXPENSES, HOUSING AND URBAN DEVELOPMENT
BUDGET ACTIVITY 6: POLICY DEVELOPMENT AND RESEARCH

SCOPE OF ACTIVITY

Personnel of the Office of Policy Development and Research (PD&R) are responsible for the management of research and technology studies conducted under contracts, cooperative agreements and grants, as well as in-house research, economic analyses, tax policy analysis, program evaluation and program monitoring, and policy development.

Staff has provided the analytical skills and experience such as assisting in the development of performance measures; targeting of the funds to assure attention to low-income families and vulnerable populations; and assuring that questions of consistency of approach across program lines are addressed. Staff provides continued short range research on basic housing and urban issues to allow the Secretary to be a national spokesperson on these matters. The economic intelligence function, including the American Housing survey and related publications such as the quarterly U.S. Housing Market Conditions report, would also continue. Likewise, setting Fair Market Rents (FMR) and income limits, and assisting on HUDwide, special initiatives are ongoing functions of the Office.

Staff continues to provide extensive support to the Chief Financial Officer and Deputy Secretary on tasks related to the Government Performance and Results Act, including development of the Strategic Plan and the Annual Performance Plan.

Staff works closely with the program offices and the Office of Information Technology to improve automated systems and the program data that reside in these systems, in order to support research and evaluations, and to assure that program managers throughout HUD's organization have the information needed to monitor results.

PD&R is also responsible for the examination of the outcomes of current HUD programs; the evaluation of programs in view of those outcomes; and the review of the continuing efficacy of programs.

PD&R provides technical support to FHA. New ways of doing business requires careful up-front study, prompt and thorough evaluations. Actuarial studies, program design, and assessments of who FHA serves are areas where FHA and the Secretary need assistance. PD&R's analytical approach makes its advice particularly useful to FHA and the Secretary.

Staff continues to provide support to the Secretary for mission regulation of Government Sponsored Enterprises (GSEs) activities including: (1) consideration of new program requests; (2) monitoring of GSE performance under geographical and income-based housing goals; (3) research support for establishment of ongoing GSE housing goals; (4) review of fair housing performance; and (5) writing reports to Congress.

Staff also administers outreach and grant programs of the Office of University Partnerships.

Staff continues studies and research to support the international exchange of information and data on housing and development topics.

The economists who serve in HUD field offices report to PD&R. The field economists serve as the Department's primary source of intelligence on local economic and housing conditions, providing analysis and recommendations to field and headquarters management and program officials, including reports for the U.S. Housing Market Conditions quarterly report. They also assist HUD clients in identifying and analyzing economic and demographic data; provide market analysis reviews of various program applications, conduct needs assessments of assisted housing proposals, and advise on the allocations of assisted housing funds.

WORKLOAD

The workload of PD&R focuses on ways to improve the efficiency, effectiveness, and equity of HUD programs. This entails developing policy recommendations for the Secretary, performing policy and economic analyses, directing research and demonstration activities, and evaluating and monitoring new and existing programs for the Department. The workload also includes supporting the Secretary in carrying out his responsibilities for Fannie Mae and Freddie Mac regulation and preparing reports to Congress. In carrying out its responsibilities, PD&R conducts analyses using either contract or in-house staff resources, depending on the issue and the nature of the work. PD&R also works with other HUD staff, State and local governments, academicians, representatives of various interest groups, and other interested parties, to assure that all accessible knowledge is brought to bear on issues of concern to the Department.

Salaries and Expenses, Housing Urban Development
 Budget Activity 6: Policy Development and Research

TRAVEL

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
					(Dollars in Thousands)
Travel	\$198	\$200	\$274	\$274
Total.....	\$198	\$200	\$274	\$274

The increase in the 2001 current estimate when compared to the 2001 budget estimate will provide adequate funds for the travel requirements of PD&R including: essential travel by the front office and other senior staff, field economists travel, inspection trips to ensure that contractor performance is in line with objectives, and other staff travel.

CONTRACTS

The following table identifies the specific contracts unique to this activity and is followed by a brief description.

	ACTUAL 2000	BUDGET ESTIMATE 2001	CURRENT ESTIMATE 2001	ESTIMATE 2002	INCREASE + DECREASE - 2002 vs 2001
					(Dollars in Thousands)
Data and Statistical Services .	\$3,028	\$4,900	\$3,442	\$3,442
Technical Services
Total.....	\$3,028	\$4,900	\$3,442	\$3,442

The 2002 estimate will provide adequate funds for the contract needs of PD&R as described below.

DATA AND STATISTICAL SERVICES

This activity provides the Department with information to continue the Assisted Housing Quality Control (QC) study. The QC process involves drawing a nationally representative sample of all Public Housing and Section 8 units. On-site tenant interviews and file reviews are then conducted. These data are used to determine actual tenant incomes and their contribution to rent. The QC income and rent contribution determinations are then compared with the program sponsor figures and the results used to produce national estimates of the type, severity, and cost of errors. After these findings are communicated to HUD, the Department selects the errors of most concern and designs and implements corrective actions. A subsequent QC study then starts another cycle of error estimation and corrective actions. The HUD Annual Report describes the performance of HUD programs. Vacancy Surveys and F.W. Dodge Data provide information used by Field Economists in reviewing the marketability and risk of multifamily projects proposed for FHA insurance.