

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: 2001, 2002, and 2003.

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 assist families move towards homeownership, and expand 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 the Department-wide relocation and environmental functions. These responsibilities are carried out by CPD staff in Headquarters and in 43 field offices.

CPD distributes 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. As part of the President's Management Agenda, CPD will review the Consolidated Plan over the next several months to make it more results-oriented and useful to communities in assessing their own progress toward addressing the problems of low-income areas.

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, 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 Management Plan. CPD Headquarters offices establish national monitoring goals that are carried out at the local level. Local Management 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 Management Plan directly correlates with the Department's eight strategic goals, established to carry out its mission. CPD programs contribute to the following goals:

Help Families Move from Rental Housing to Homeownership. Communities receiving formula funds under the Consolidated Planning process must establish local 5-year goals for affordable housing and homeownership to guide them as they use their annual allocations of CDBG, HOME, HOPWA and Emergency Shelter Grants (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. The Self-Help Homeownership Opportunity Program (SHOP) provides "seed" funds for the acquisition and preparation of land for construction for housing for homebuyers with incomes 50-65 percent of its area median income. 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.

Strengthen and Expand Faith-Based and Community Partnerships. The Community Development Technical Assistance programs, particularly those for HOME and Homeless Assistance, have benefited faith based groups by providing them with organizational and program development assistance. In order to help communities in the HOME program meet the requirements for local community based nonprofit housing organizations participation in the program, HUD provides technical assistance through nonprofit intermediaries. These intermediaries, some of whom are faith-based groups themselves, assist Community Housing Development Organizations (CHDOs) develop the capacity to implement housing projects in their local communities. An estimated thirty percent of the CHDOs are faith-based groups who need help and organizational support to carry out their mission.

Effectively Address the Challenge of Homelessness. CPD's Homeless program supports the Department's commitment to end chronic homelessness in 10 years, including an emphasis on increasing the supply of permanent housing for the chronically homeless. This program also reflects HUD's increased emphasis on its core mission of providing housing, with attention given to coordinating HUD's efforts with the mainstream programs provided by other Departments that assist the homeless. 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. The Homeless program's funds will be used for renewing a significant portion of the vital housing and supportive services projects already established, as well as for providing funding for new projects, particularly permanent supportive housing, that will fill housing and service gaps in local communities.

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 government 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.

Embrace High Standards of Ethics, Management and Accountability. CPD Headquarters and Field staff are responsible for protecting taxpayers interests by ensuring that Federal funds are used appropriately and in compliance with laws and regulations. CPD staff accomplish this 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 Office of General Counsel, as necessary.

Ensure Equal Opportunity and Access to Housing. 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 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

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such formula funds until compliance is secured. This is a powerful tool for fair housing.

Support Community and Economic Development Efforts. CPD's largest program, Community Development Block Grants, is the primary vehicle for the revitalization of our Nation's neighborhoods, providing opportunities for self-sufficiency to millions of lower income American. The program's primary objective is to develop viable urban communities by expanding opportunities, and provide decent housing and a suitable living environment, principally for persons of low- and moderate-income. This objective is achieved by limiting activities to those which carry out one of the following broad national objectives: (1) benefit low- and moderate-income persons; (2) aid in the prevention or elimination of slums and blight; or (3) meet other particularly urgent community development needs.

The HOME Program plays a key role in addressing the shortages affordable housing and homeownership in communities. States, urban counties, consortia of local governments, and cities use their annual HOME allocations to expand affordable rental housing opportunities by building, rehabilitating, and buying multifamily rental properties and by providing assistance to new homebuyers.

The HOPWA program strives to increase the availability of affordable housing for this population and integrate assistance from other sources for needed health care and supportive services in the communities.

The Brownfields program enables reclamation and redevelopment of abandoned, idled or under-used real property where expansion or redevelopment is complicated by real or perceived contamination. These grants allow areas to restore productive job-creating uses and to address the economic development needs of communities in and around such sites.

The attached charts display detailed staffing and workload estimates based on the Resource Estimation and Allocation Process (REAP) baseline data.

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 2003, 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 program offices in Headquarters monitor the progress of field offices in implementing the programs for which CPD is responsible. 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 staff in the field offices review local Consolidated Plans, consult with the communities on these Plans, approve the Plans and execute grant agreements to make the funds available to the grantees. The GMP also requires that CPD staff 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.

TRAVEL

	ACTUAL	ENACTED	ESTIMATE	INCREASE + DECREASE -
	2001	2002	2003	2003 vs 2002
	(Dollars in Thousands)			
Travel	\$739	\$811	\$811	....
Total.....	\$739	\$811	\$811	....

CPD's fiscal year 2003 request for travel funding is \$811 thousand, no change from fiscal year 2002 enacted budget. The bulk of these funds are used for CPD field staff to carry out their program administration responsibilities, including monitoring and assisting grantees in using 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 Management goals. In 2003, CPD will continue on-site reviews of 35 percent of formula grantees and 10 percent of 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.

CPD staff perform on-site monitoring 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.

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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 2001, \$524,416 of the total had been used.

CONTRACTS

	ACTUAL 2001	ENACTED 2002	ESTIMATE 2003	INCREASE + DECREASE - 2003 vs 2002
	(Dollars in Thousands)			
Technical Services	\$2,497	\$2,499	\$2,499	....
Data and Statistical Services .	....	....	....	....
Public Information Services ...	....	....	....	....
General Support	\$700	\$700	\$700	....
Total.....	\$3,197	\$3,199	\$3,199	....

The principal categories in this object class are contracts for technical services, and other contracted general support services. Funding of \$3,199 thousand is requested in fiscal year 2003 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 2002, \$1.3 million is funded for all activities (Departmentwide) related to the Notice of Funding Availability (SuperNOFA). For fiscal year 2003, CPD is requesting this same funding to carry out similar activities.

Technical Services funds are required to support the Community Connections Clearinghouse outreach efforts related to CPD programs, such as the Homeless Outreach Center, the Veteran Resource Center, and others. These efforts 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.

Technical Services funds are also used for coding of data from grantee performance reports and other contract support needed in the implementation of CPD programs.

Finally, all other general support 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.

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Headquarter Employment									
Immediate Office,AS CPD and CPD DASs									
Overall Guidance of CPD activities in HQ and Field	NA		...	...	5.0		...	...	5.0
Subtotal					5.0				5.0
Community Development Block Grant									
Manage Block Grant Entitlement Program	NA	2	...	...	15.9	2	...	...	15.9
Manage Block Grant State and Small Cities Activities	NA	3	...	...	15.1	3	...	...	15.1
Subtotal					31.0				31.0
Affordable Housing									
Develop and Implement Affordable Housing Policy	NA	2	...	...	4.0	2	...	...	4.0
Oversee Affordable Housing Programs	NA	8	...	...	4.3	8	...	...	4.3
Develop and Maintain Affordable Housing Information Systems	NA				2.7				2.7
Relocation and Acquisition Activities	NA	4	...	...	3.0	4	...	...	3.0
Subtotal					14.0				14.0
Special Needs Assistance Programs (SNAPS)									
Perform SNAPS Intake/Evaluation	Number of Continuum of Care Packages Reviewed	288	480	87.44	8.0	310	500	87.44	8.0
Provide SNAPS Grant Administration (Includes Title V)	Number of Grants (Competitive/ Formula) Processed	1,200	3,600	8.70	10.0	1,400	3,800	8.70	10.0
Provide SNAPS Policy, Program Management and Advocacy	NA	5	4.0	7	2.0

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Emergency Food & Shelter Prgm	NA				0.0				2.0
Subtotal					22.0				22.0
HIV/AIDS Housing (HOPWA)									
Process HOPWA Grants	Number of Grants Processed	93	250	92.71	7.0	118	275	92.71	7.0
Provide HOPWA Grants Management and Special Initiatives	NA	2	...	...	1.0	2	...	...	1.0
Subtotal					8.0				8.0
Office of Environment and Energy									
Office of Community Viability									
Perform CPD Strategic Planning and Policy Development	NA		...	...	8.0		...	...	8.0
Manage HUD Environmental Program	NA	7	...	...	5.3	7	...	...	5.3
Manage HUD Energy Program	NA	8	...	...	2.7	8	...	...	2.7
Subtotal					16.0				16.0
Economic Development									
Manage Rural Housing and Economic Development Activities	NA		...	...	9.5	2	...	...	7.5
Colonias Gateway Initiative	NA	3			0.0	5			2.0
Develop and Implement Policy for Section 108	NA	6	...	...	5.0	6	...	...	5.0
Review and Approve Applications for Loans For Sect. 108	Number of Applications		2,700	7.81	10.1	60	2,750	7.81	10.1
Arrange Financing of Guaranteed Loans for Sect. 108	Number of Loans Financed	185	626	23.68	5.0	185	626	23.68	5.0
Perform other Loan related work for Sect. 108	NA	5			1.0	5			1.0
Manage Special Purpose Grants	Number of Applications	650	1,400	6.56	2.4	650	1,420	6.56	2.4
Subtotal					33.0				33.0
Community Empowerment									
Manage EZ/EC Initiatives	Activities of EZ/EC Communities	175	300	149.64	9.0	275	400	149.64	9.0
Subtotal					9.0				9.0

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CPD Operations and Technical Assistance

Manage CPD Budget Operations	NA		9.4		9.4
Provide CPD Administrative Services Support	Number of CPD Staff	10	250	57.63	6.6	10	250	57.63	6.6
Provide CPD Correspondence Control	NA	1			3.2	1			3.2
Provide CPD Human Resources and Training Support	NA	3	...	...	9.8	3	...	...	9.8
Manage Technical Assistance Contracts and National Agreements	Number of Cooperative Agreements and Contracts	10	148	174.94	11.6	22	160	174.94	11.6
Provide IT support to CPD users	Number of CPD Users		1,050	12.33	6.2		1,050	12.33	6.2
Manage CPD System Development and Maintenance	Number of Systems		10	1,085.76	5.2		10	1,085.76	5.2
Subtotal					52.0				52.0

CPD Field Management

Provide Liaison Services to CPD Field Offices	Number of Field Offices Supported		42	546.86	11.0		42	546.86	11.0
Subtotal					11.0				11.0

CPD Comptroller Services

Provide CPD Comptroller Services	NA		...	...	1.0		...	...	1.0
Subtotal					1.0				1.0

HUDVET

Manage HUDVET Activities	NA		...	...	1.0		...	...	1.0
Subtotal					1.0				1.0

Field Employment

CPD Field Consolidated Plan Activities

Review Consolidated Plan	Number of Plans Reviewed	188	1,016	138.93	55.1	188	1,016	138.93	55.1
Provide Consolidated Plan Assistance and Training	NA		...	...	9.1		...	...	9.1
Subtotal					64.2				64.2

CPD Field Entitlement Grant Management

Manage Entitlement Grantees	Number of Entitlement Grantees Managed	322	1,016	229.70	76.3	322	1,016	229.70	76.3
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Evaluate Entitlement Grantees	Number of CAPERS Evaluated	1,016	181.67	88.4	1,016	181.67	88.4
Monitor Entitlement Grantees	Number of Monitoring Letters Sent	350	283.37	47.5	350	283.37	47.5
Subtotal				212.2			212.2
CPD Field Competitive Grants							
Manage Competitive Grant Recipients (CGRs)	Number of CGRs Managed	4,400	29.04	61.2	4,400	29.04	61.2
Perform On-site Monitoring of CGRs	Number of Monitoring Letters Sent	350	69.20	11.6	350	69.20	11.6
Subtotal				72.8			72.8
CPD Field McKinney Act Grants							
Manage McKinney Competition	Number of Grants Approved	6,600	30.24	95.6	6,600	30.24	95.6
Subtotal				95.6			95.6
General CPD Field Program Management							
Conduct interaction with CPD Headquarters and the Public	NA	...	...	42.0	...	...	42.0
Perform HUD Operational and Management Improvement Projects	NA	...	...	19.5	...	...	19.5
Perform Specialized Program Advisors Activities	NA	...	...	3.3	...	...	3.3
Provide Direct Program Administrative Support, Program Supervision and Manage Terminated Programs	NA	...	...	57.9	...	...	57.9
Subtotal				122.7			122.7
Field Environmental Support							
Manage HUD's Environmental Program in the Field	NA	...	...	15.6	...	...	15.6
Subtotal				15.6			15.6
Field Economic Development Assistance							
Manage CPD Economic Development Assistance Activities in the Field	NA	15.9	15.9
Subtotal				15.9			15.9
Field Relocation Assistance							

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Manage HUD's Relocation									
Assistance Activities in the Field	NA	3.0		3.0	
Subtotal				3.0				3.0	

	Estimate 2002	Estimate 2003	Increase + Decrease - 2003 vs 2002
Immediate Office,AS CPD and CPD DASs	5.0	5.0	0.0
Community Development Block Grant	31.0	31.0	0.0
Affordable Housing	14.0	14.0	0.0
	45.0	45.0	0.0
Special Needs Assistance Programs (SNAPS)	22.0	22.0	0.0
HIV/AIDS Housing (HOPWA)	8.0	8.0	0.0
	30.0	30.0	0.0
Office of Environment and Energy	16.0	16.0	0.0
Economic Development	33.0	33.0	0.0
Community Empow erment	9.0	9.0	0.0
CPD Operations and Technical Assistance	52.0	52.0	0.0
CPD Field Management	11.0	11.0	0.0
CPD Comptroller Services	1.0	1.0	0.0
HUDVET	1.0	1.0	0.0
	203.0	203.0	0.0
CPD Field Consolidated Plan Activities	64.2	64.2	0.0
CPD Field Entitlement Grant Management	212.2	212.2	0.0
CPD Field Competitive Grants	72.8	72.8	0.0
CPD Field McKinney Act Grants	95.6	95.6	0.0
General CPD Field Program Management	122.7	122.7	0.0
Field Environmental Support	15.6	15.6	0.0
Field Economic Development Assistance	15.9	15.9	0.0
Field Relocation Assistance	3.0	3.0	0.0
	602.0	602.0	0.0

Detail of Community Planning and Development Staff Requirements

	FTE			Increase + Decrease - 2003 vs 2002
	Actual 2001	Estimate 2002	Estimate 2003	
Headquarters.....				
..	233.0	203.0	203.0	0.0
Field				
.....	551.0	602.0	602.0	0.0
Total				
.....	784.0	805.0	805.0	0.0

HEADQUARTERS EMPLOYMENT

EXPLANATION OF CHANGES FOR THE 2002 ENACTED AND 2003 BUDGET ESTIMATE

CPD's enacted FTE level for fiscal year 2002 and requested level for fiscal year 2003 is 805.

CPD estimated its requirements at 954 FTE from the suggested REAP study level of 806 in fiscal year 2001. CPD feels this level take into account work that should be done to adequately manage its grant and loan guarantee portfolios. The fiscal year 2002 enacted and the fiscal year 2003 request level is 805 FTE. The impact of lowering the FTE to 805 falls into the following broad categories:

- **Work Not Getting Done.** Program managers indicate that some important work is either not getting done or not getting done in a timely manner. Staff shortages in Headquarters and the Field lead to addressing only the latest crisis, and not keeping up-to-date on regular work that requires attention. An example is that important policy development and analysis in our program offices gets delayed as staff respond to "on-demand" work.
- **Growing Workload.** Each year, CPD executes thousands of new formula and competitive grants agreements. CPD's grant inventory will increase by several hundred next year as a result of the homeless assistance, Empowerment Zones, Renewal Communities, Youthbuild, HOPWA, Brownfields and other competitions that are now in process. The number of grants for which CPD Field Offices are responsible continues to rise. The terms of most of these grants run up to 10 years, and staff must provide ongoing monitoring and oversight to ensure that grantees are using the grant funds appropriately. Monitoring can only be useful and constructive if it is done regularly and completely. Sufficient staff is required to perform site visits, provide technical assistance and manage technical assistance contracts, approve activities, prepare appropriate documentation, etc. CPD has made significant progress over the last few years in addressing Inspector General and General Accounting Office findings that additional and more in-depth monitoring is needed of the thousands of active grants in our portfolio. CPD wants to continue improving in this area to ensure that all CPD funds are being used to serve our programmatic mission.

The following indicators have decreases from the requested fiscal years 2002 and 2003 levels to the fiscal year 2002 enacted level and the current fiscal year 2003 request level:

Community Development Block Grant

- *Manage Block Grant Entitlement Program* - Reduction in FTE will affect CPD's ability to adequately monitor the existing and increasing numbers of Entitlement grantees for CPD's largest program. Monitoring guidance, program management instructions, internet assistance, training courses, and IDIS and DGMS program guidance may not be addressed thoroughly, due to lack of staff. **(-2 FTE)**
- *Manage Block Grant State and Small Cities Activities* - Technical guidance, administration and oversight are not adequately being achieved for CPD's third largest program at \$1.3 billion. **(-3 FTE)**

Affordable Housing

- *Develop and Implement Affordable Housing Policy* - Without additional staff, CPD may not adequately provide the necessary policy direction and guidance for the Department's second largest formula grant program to the current and the new grantees that come on board each year. **(-2 FTE)**
- *Oversee Affordable Housing Program* - Without additional staff, CPD may not adequately provide the necessary oversight and guidance to the current and the new grantees that come on board each year. **(-8 FTE)**
- *Relocation and Acquisition Activities* - In the past, there were 7 HQ staff and a relocation representative in each of the 42 field offices. The Department's vulnerability to administer and enforce Uniform Relocation Act responsibilities across the Department's programs is compromised. **(-4 FTE)**

Special Needs Assistance Programs (SNAP)

- *Perform SNAPS Intake/Evaluation* - Additional FTE is still needed for the Military Base Reuse and Closure function, and to address additional McKinney-Vento packages to be reviewed in fiscal year 2002 and FY 2003. **(-12.1 FTE)**
- *Provide SNAP Grant Administration (includes Title V)* - Number of formula grants processed is expected to increase with additional funding over \$1.1 billion in fiscal years 2002 and 2003, and CPD will lack staff to adequately administer this program. **(-5 FTE)**
- *Provide SNAP Policy, Program Management and Advocacy* - More staff is still needed to provide policy and guidance for one of the largest competitive award programs in HUD. **(-5 FTE)**
- *Emergency Food & Shelter Program* - Additional FTE in fiscal year 2003 is needed to cover the Emergency Food & Shelter Program, which is being transferred over from FEMA to HUD's Homeless Program. **(-2 FTE)**

HIV/AIDS Housing (HOPWA)

- *Process HOPWA Grants* - More staff is needed to process the increased number of HOPWA grants as a result of the increased funding in fiscal years 2002 and 2003. **(-4.1 FTE)**
- *Provide HOPWA Grants Management and Special Initiatives* - A decrease in FTE will compromise HOPWA's ability to administer and monitor its program. **(-2 FTE)**

Office of Environment and Energy

- *Manage HUD Environmental Program* - Statutory and regulatory environmental mandates will not be met. (-7 FTE)
- *Manage HUD Energy Program* - Statutory and regulatory environmental mandates will not be met. (-8 FTE)

Economic Development

- *Manage Rural Housing and Economic Development Activities* - Requirements will not be met without adequate staffing. (-2 FTE for FY2003)
- *Colonias Gateway Initiative* - Requirements will not be met without adequate staffing. (-3 FTE for FY2002 & -5 FTE FY2003)
- *Develop and Implement Policy for Section 108* - Policy issues will not be adequately addressed. (-6 FTE)
- *Arrange Financing of Guaranteed Loans for Section 108* - More staff are needed to thoroughly review applications in FY 2002 and FY 2003. (-2.1 FTE)
- *Perform Other Loan Related Work for Section 108* - The portfolio worth over \$609 million in commitments, may not be adequately administered and monitored because of the staffing shortage. (- 5 FTE)
- *Manage Special Purpose Grants* - CPD will not be able to adequately manage and monitor the increasing number of grants in fiscal years 2002 and 2003 due to lack of staff. (-2 FTE)

Community Empowerment

- *Manage EZ/EC Initiatives* - The workload indicator will increase in fiscal year 2002 due to a \$45 million increase, but staff will be unable to adequately manage increased activities. Current staff is unable to address legislative mandates placed on the Department by the IG audit from 1999 regarding lack of program compliance and performance monitoring. (-12.5 FTE)

CPD Operations and Technical Assistance

- *Provide CPD Administrative Services Support* - Additional staff is needed to carry out these responsibilities. (-0.3 FTE)
- *Provide CPD Correspondence Control* - Additional staff is needed to carry out these responsibilities. (-1 FTE)
- *Provide CPD Human Resources and Training Support* - Additional staff to this office is still needed to adequately address CPD's human resource and training needs. (-3 FTE)
- *Manage Technical Assistance Contracts and National Agreements* - The existing and growing number of cooperative agreements and contracts will not be adequately managed in fiscal years 2002 and 2003 due to staffing shortages. (-0.8 FTE)

FIELD EMPLOYMENT

EXPLANATION OF CHANGES FOR THE 2002 ENACTED and 2003 BUDGET ESTIMATE

The enacted level for fiscal year 2002 is 602, a decrease from CPD's request of 650 FTE.

CPD lacks sufficient staff in the Field Offices to carry out critical functions such as grantee oversight, providing technical assistance and monitoring despite increasing workload as the portfolio of grants continue to grow. **(-48 FTE)**

CPD Field Consolidated Plan Activities

- *Review Consolidated Plans* - The number of plans reviewed will not be thoroughly addressed due to staffing shortages. **(-12.4 FTE)**

CPD Field Entitlement Grant Management

- *Manage Entitlement Grantees* - The number of Entitlement grantees evaluated will not be thoroughly addressed due to staffing shortages. **(-35.5 FTE)**

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Headquarter Employment									
Immediate Office,AS CPD and CPD DASs									
Overall Guidance of CPD activities in HQ and Field	NA		...	...	5.0		...	...	5.0
Subtotal					5.0				5.0
Community Development Block Grant									
Manage Block Grant Entitlement Program	NA	2	...	...	15.9	2	...	...	15.9
Manage Block Grant State and Small Cities Activities	NA	3	...	...	15.1	3	...	...	15.1
Subtotal					31.0				31.0
Affordable Housing									
Develop and Implement Affordable Housing Policy	NA	2	...	...	4.0	2	...	...	4.0
Oversee Affordable Housing Programs	NA	8	...	...	4.3	8	...	...	4.3
Develop and Maintain Affordable Housing Information Systems	NA				2.7				2.7
Relocation and Acquisition Activities	NA	4	...	...	3.0	4	...	...	3.0
Subtotal					14.0				14.0
Special Needs Assistance Programs (SNAPS)									
Perform SNAPS Intake/Evaluation	Number of Continuum of Care Packages Reviewed	288	480	87.44	8.0	310	500	87.44	8.0
Provide SNAPS Grant Administration (Includes Title V)	Number of Grants (Competitive/ Formula) Processed	1,200	3,600	8.70	10.0	1,400	3,800	8.70	10.0
Provide SNAPS Policy, Program Management and Advocacy	NA	5	...	...	4.0	7	...	...	2.0
Emergency Food & Shelter Prgm	NA				0.0				2.0

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----				
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	
Subtotal					22.0					
HIV/AIDS Housing (HOPWA)										
Process HOPWA Grants	Number of Grants Processed	93	250	92.71	7.0	118	275	92.71	7.0	
Provide HOPWA Grants Management and Special Initiatives	NA	2	...	...	1.0	2	...	...	1.0
Subtotal					8.0					
Office of Environment and Energy										
Office of Community Viability										
Perform CPD Strategic Planning and Policy Development	NA		...	...	8.0		...	...	8.0
Manage HUD Environmental Program	NA	7	...	...	5.3	7	...	...	5.3
Manage HUD Energy Program	NA	8	...	...	2.7	8	...	...	2.7
Subtotal					16.0					
Economic Development										
Manage Rural Housing and Economic Development Activities	NA		...	...	9.5	2	...	...	7.5
Colonias Gateway Initiative	NA	3			0.0	5			2.0	
Develop and Implement Policy for Section 108	NA	6	...	...	5.0	6	...	...	5.0
Review and Approve Applications for Loans For Sect. 108	Number of Applications		2,700	7.81	10.1	60	2,750	7.81	10.1	
Arrange Financing of Guaranteed Loans for Sect. 108	Number of Loans Financed	185	626	23.68	5.0	185	626	23.68	5.0	
Perform other Loan related work for Sect. 108	NA	5			1.0	5			1.0	

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----				
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	
Manage Special Purpose Grants	Number of Applications	650	1,400	6.56	2.4	650	1,420	6.56	2.4	
Subtotal					33.0				33.0	
Community Empowerment										
Manage EZ/EC Initiatives	Activities of EZ/EC Communities	175	300	149.64	9.0	275	400	149.64	9.0	
Subtotal					9.0				9.0	
CPD Operations and Technical Assistance										
Manage CPD Budget Operations	NA		...	...	9.4		...	...	9.4
Provide CPD Administrative Services Support	Number of CPD Staff	10	250	57.63	6.6	10	250	57.63	6.6	
Provide CPD Correspondence Control	NA	1			3.2	1			3.2	
Provide CPD Human Resources and Training Support	NA	3	...	...	9.8	3	...	...	9.8
Manage Technical Assistance Contracts and National Agreements	Number of Cooperative Agreements and Contracts	10	148	174.94	11.6	22	160	174.94	11.6	
Provide IT support to CPD users	Number of CPD Users		1,050	12.33	6.2		1,050	12.33	6.2	
Manage CPD System Development and Maintenance	Number of Systems		10	1,085.76	5.2		10	1,085.76	5.2	
Subtotal					52.0				52.0	
CPD Field Management										
Provide Liaison Services to CPD Field Offices	Number of Field Offices Supported		42	546.86	11.0		42	546.86	11.0	
Subtotal					11.0				11.0	
CPD Comptroller Services										
Provide CPD Comptroller Services	NA		...	...	1.0		...	...	1.0
Subtotal					1.0				1.0	
HUDVET										
Manage HUDVET Activities	NA		...	...	1.0		...	...	1.0

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Subtotal					1.0				1.0
Field Employment									
CPD Field Consolidated Plan Activities									
Review Consolidated Plan	Number of Plans Reviewed	188	1,016	138.93	55.1	188	1,016	138.93	55.1
Provide Consolidated Plan Assistance and Training	NA		...	...	9.1		...	...	9.1
Subtotal					64.2				64.2
CPD Field Entitlement Grant Management									
Manage Entitlement Grantees	Number of Entitlement Grantees Managed	322	1,016	229.70	76.3	322	1,016	229.70	76.3
Evaluate Entitlement Grantees	Number of CAPERS Evaluated		1,016	181.67	88.4		1,016	181.67	88.4
Monitor Entitlement Grantees	Number of Monitoring Letters Sent		350	283.37	47.5		350	283.37	47.5
Subtotal					212.2				212.2
CPD Field Competitive Grants									
Manage Competitive Grant Recipients (CGRs)	Number of CGRs Managed		4,400	29.04	61.2		4,400	29.04	61.2
Perform On-site Monitoring of CGRs	Number of Monitoring Letters Sent		350	69.20	11.6		350	69.20	11.6
Subtotal					72.8				72.8
CPD Field McKinney Act Grants									
Manage McKinney Competition	Number of Grants Approved		6,600	30.24	95.6		6,600	30.24	95.6
Subtotal					95.6				95.6
General CPD Field Program Management									
Conduct interaction with CPD Headquarters and the Public	NA		...	...	42.0		...	...	42.0

Detail of Community Planning and Development Staff Requirements

WorkLoad Guideline	Workload Indicator	----- Fiscal Year 2002 -----				----- Fiscal Year 2003 -----			
		Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE	Underfunded Workload/ Allocation	Projected Accomplishment	Projected Unit Cost (Hrs)	FTE
Perform HUD Operational and Management Improvement Projects	NA		...	...	19.5		...	...	19.5
Perform Specialized Program Advisors Activities	NA		...	...	3.3		...	...	3.3
Provide Direct Program Administrative Support, Program Supervision and Manage Terminated Programs	NA		...	...	57.9		...	...	57.9
Subtotal					122.7				122.7
Field Environmental Support									
Manage HUD's Environmental Program in the Field	NA		...	...	15.6		...	...	15.6
Subtotal					15.6				15.6
Field Economic Development Assistance									
Manage CPD Economic Development Assistance Activities in the Field	NA		...	...	15.9		...	...	15.9
Subtotal					15.9				15.9
Field Relocation Assistance									
Manage HUD's Relocation Assistance Activities in the Field	NA		...	...	3.0		...	...	3.0
Subtotal					3.0				3.0

Detail of Community Planning and Development Staff Requirements

	Estimate 2002	Estimate 2003	Increase + Decrease - 2003 vs 2002
Headquarter Employment			
Immediate Office,AS CPD and CPD DASs	5.0	5.0	0.0
Grant Programs			
Community Development Block Grant	31.0	31.0	0.0
Affordable Housing	14.0	14.0	0.0
Subtotal	45.0	45.0	0.0
Special Needs Programs			
Special Needs Assistance Programs (SNAPS)	22.0	22.0	0.0
HIV/AIDS Housing (HOPWA)	8.0	8.0	0.0
Subtotal	30.0	30.0	0.0
Office of Environment and Energy	16.0	16.0	0.0
Economic Development	33.0	33.0	0.0
Community Empowerment	9.0	9.0	0.0
CPD Operations and Technical Assistance	52.0	52.0	0.0
CPD Field Management	11.0	11.0	0.0
CPD Comptroller Services	1.0	1.0	0.0
HUDVET	1.0	1.0	0.0
Total	203.0	203.0	0.0
Field Employment			
CPD Field Consolidated Plan Activities	64.2	64.2	0.0
CPD Field Entitlement Grant Management	212.2	212.2	0.0
CPD Field Competitive Grants	72.8	72.8	0.0
CPD Field McKinney Act Grants	95.6	95.6	0.0
General CPD Field Program Management	122.7	122.7	0.0
Field Environmental Support	15.6	15.6	0.0
Field Economic Development Assistance	15.9	15.9	0.0
Field Relocation Assistance	3.0	3.0	0.0
Total	602.0	602.0	0.0

Detail of Community Planning and Development Staff Requirements

	FTE			Increase + Decrease - 2003 vs 2002
	Actual 2001	Estimate 2002	Estimate 2003	
Headquarters.....	233.0	203.0	203.0	0.0
Field	551.0	602.0	602.0	0.0
Total	784.0	805.0	805.0	0.0

HEADQUARTERS EMPLOYMENT

EXPLANATION OF CHANGES FOR THE 2002 ENACTED AND 2003 BUDGET ESTIMATE

CPD's enacted FTE level for fiscal year 2002 and requested level for fiscal year 2003 is 805.

CPD estimated its requirements at 954 FTE from the suggested REAP study level of 806 in fiscal year 2001. CPD feels this level take into account work that should be done to adequately manage its grant and loan guarantee portfolios. The fiscal year 2002 enacted and the fiscal year 2003 request level is 805 FTE. The impact of lowering the FTE to 805 falls into the following broad categories:

- **Work Not Getting Done.** Program managers indicate that some important work is either not getting done or not getting done in a timely manner. Staff shortages in Headquarters and the Field lead to addressing only the latest crisis, and not keeping up-to-date on regular work that requires attention. An example is that important policy development and analysis in our program offices gets delayed as staff respond to "on-demand" work.
- **Growing Workload.** Each year, CPD executes thousands of new formula and competitive grants agreements. CPD's grant inventory will increase by several hundred next year as a result of the homeless assistance, Empowerment Zones, Renewal Communities, Youthbuild, HOPWA, Brownfields and other competitions that are now in process. The number of grants for which CPD Field Offices are responsible continues to rise. The terms of most of these grants run up to 10 years, and staff must provide ongoing monitoring and oversight to ensure that grantees are using the grant funds appropriately. Monitoring can only be useful and constructive if it is done regularly and completely. Sufficient staff is required to perform site visits, provide technical assistance and manage technical assistance contracts, approve activities, prepare appropriate documentation, etc. CPD has made significant progress over the last few years in addressing Inspector General and General Accounting Office findings that additional and more in-depth monitoring is needed of the thousands of active grants in our portfolio. CPD wants to continue improving in this area to ensure that all CPD funds are being used to serve our programmatic mission.

The following indicators have decreases from the requested fiscal years 2002 and 2003 levels to the fiscal year 2002 enacted level and the current fiscal year 2003 request level:

Community Development Block Grant

- *Manage Block Grant Entitlement Program* - Reduction in FTE will affect CPD's ability to adequately monitor the existing and increasing numbers of Entitlement grantees for CPD's largest program. Monitoring guidance, program management instructions, internet assistance, training courses, and IDIS and DGMS program guidance may not be addressed thoroughly, due to lack of staff. **(-2 FTE)**
- *Manage Block Grant State and Small Cities Activities* - Technical guidance, administration and oversight are not adequately being achieved for CPD's third largest program at \$1.3 billion. **(-3 FTE)**

Affordable Housing

- *Develop and Implement Affordable Housing Policy* - Without additional staff, CPD may not adequately provide the necessary policy direction and guidance for the Department's second largest formula grant program to the current and the new grantees that come on board each year. **(-2 FTE)**
- *Oversee Affordable Housing Program* - Without additional staff, CPD may not adequately provide the necessary oversight and guidance to the current and the new grantees that come on board each year. **(-8 FTE)**
- *Relocation and Acquisition Activities* - In the past, there were 7 HQ staff and a relocation representative in each of the 42 field offices. The Department's vulnerability to administer and enforce Uniform Relocation Act responsibilities across the Department's programs is compromised. **(-4 FTE)**

Special Needs Assistance Programs (SNAP)

- *Perform SNAPS Intake/Evaluation* - Additional FTE is still needed for the Military Base Reuse and Closure function, and to address additional McKinney-Vento packages to be reviewed in fiscal year 2002 and FY 2003. **(-12.1 FTE)**
- *Provide SNAP Grant Administration (includes Title V)* - Number of formula grants processed is expected to increase with additional funding over \$1.1 billion in fiscal years 2002 and 2003, and CPD will lack staff to adequately administer this program. **(-5 FTE)**
- *Provide SNAP Policy, Program Management and Advocacy* - More staff is still needed to provide policy and guidance for one of the largest competitive award programs in HUD. **(-5 FTE)**
- *Emergency Food & Shelter Program* - Additional FTE in fiscal year 2003 is needed to cover the Emergency Food & Shelter Program, which is being transferred over from FEMA to HUD's Homeless Program. **(-2 FTE)**

HIV/AIDS Housing (HOPWA)

- *Process HOPWA Grants* - More staff is needed to process the increased number of HOPWA grants as a result of the increased funding in fiscal years 2002 and 2003. **(-4.1 FTE)**
- *Provide HOPWA Grants Management and Special Initiatives* - A decrease in FTE will compromise HOPWA's ability to administer and monitor its program. **(-2 FTE)**

Office of Environment and Energy

- *Manage HUD Environmental Program* - Statutory and regulatory environmental mandates will not be met. **(-7 FTE)**
- *Manage HUD Energy Program* - Statutory and regulatory environmental mandates will not be met. **(-8 FTE)**

Economic Development

- *Manage Rural Housing and Economic Development Activities* - Requirements will not be met without adequate staffing. **(-2 FTE for FY2003)**
- *Colonias Gateway Initiative* - Requirements will not be met without adequate staffing.
(-3 FTE for FY2002 & -5 FTE FY2003)
- *Develop and Implement Policy for Section 108* - Policy issues will not be adequately addressed. **(-6 FTE)**
- *Arrange Financing of Guaranteed Loans for Section 108* - More staff are needed to thoroughly review applications in FY 2002 and FY 2003. **(-2.1 FTE)**
- *Perform Other Loan Related Work for Section 108* - The portfolio worth over \$609 million in commitments, may not be adequately administered and monitored because of the staffing shortage. **(- 5 FTE)**
- *Manage Special Purpose Grants* - CPD will not be able to adequately manage and monitor the increasing number of grants in fiscal years 2002 and 2003 due to lack of staff. **(-2 FTE)**

Community Empowerment

- *Manage EZ/EC Initiatives* - The workload indicator will increase in fiscal year 2002 due to a \$45 million increase, but staff will be unable to adequately manage increased activities. Current staff is unable to address legislative mandates placed on the Department by the IG audit from 1999 regarding lack of program compliance and performance monitoring. **(-12.5 FTE)**

CPD Operations and Technical Assistance

- *Provide CPD Administrative Services Support* - Additional staff is needed to carry out these responsibilities. **(-0.3 FTE)**
- *Provide CPD Correspondence Control* - Additional staff is needed to carry out these responsibilities. **(-1 FTE)**
- *Provide CPD Human Resources and Training Support* - Additional staff to this office is still needed to adequately address CPD's human resource and training needs. **(-3 FTE)**
- *Manage Technical Assistance Contracts and National Agreements* - The existing and growing number of cooperative agreements and contracts will not be adequately managed in fiscal years 2002 and 2003 due to staffing shortages. **(-0.8 FTE)**

FIELD EMPLOYMENT

EXPLANATION OF CHANGES FOR THE 2002 ENACTED and 2003 BUDGET ESTIMATE

The enacted level for fiscal year 2002 is 602, a decrease from CPD's request of 650 FTE.

CPD lacks sufficient staff in the Field Offices to carry out critical functions such as grantee oversight, providing technical assistance and monitoring despite increasing workload as the portfolio of grants continue to grow. **(-48 FTE)**

Salaries and Expenses, Housing and Urban Development
Budget Activity 1: Community Planning and Development

CPD Field Consolidated Plan Activities

- *Review Consolidated Plans* - The number of plans reviewed will not be thoroughly addressed due to staffing shortages. (-12.4 FTE)

CPD Field Entitlement Grant Management

- *Manage Entitlement Grantees* - The number of Entitlement grantees evaluated will not be thoroughly addressed due to staffing shortages. (-35.5 FTE)