

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## POLICY DEVELOPMENT AND RESEARCH

## RESEARCH AND TECHNOLOGY

PROGRAM PERFORMANCE

STRATEGIC GOAL/OBJECTIVE	ACTUAL 2002	ESTIMATE 2003	ESTIMATE 2004
<b>Strategic Goal A: Promote decent affordable housing.</b>			
Discretionary BA (Dollars in Thousands)	\$9,000	\$9,550	\$11,100
FTE			
Headquarters	22	25	25
Field	36	45	45
Subtotal	58	70	70
S&E Cost (Dollars in Thousands)			
Personal Services	\$5,834	\$7,428	\$7,629
Travel	105	92	96
Rent, Communications & Utilities	0	0	0
Subtotal	5,939	7,520	7,725
<b>Strategic Objective A.4: Help HUD-assisted renters make progress toward self-sufficiency.</b>			
<b>Strategic Objective A.2: Improve the physical quality and management accountability of public and assisted housing.</b>			

EXPLANATION OF PERFORMANCEPerformance/Means and Strategies

The Office of Policy Development and Research (PD&R) proposes \$11.1 million in program funding and \$7.725 million in S&E funding, for a total of \$18.825 million to support Strategic Goal A: Promote decent affordable housing.

The mission of the PD&R is to provide reliable facts and analysis to inform the policy decisions of HUD, Congress, and State and local governments. Research and Technology (R&T) funds enable PD&R to fulfill this mission by maintaining and expanding information on housing needs and market conditions, evaluating current HUD programs and proposed policy changes, and conducting research on a wide range of housing and community and economic development issues, including advances in housing technology.

In fiscal year 2004, PD&R will conduct research and policy analysis to support strategic goal A. Areas of research that support strategic goal A follow:

- **Reducing Barriers to the Production of Multifamily and Single Family Housing.** State and local regulations operate as a significant barrier to the production of affordable housing. Various studies estimate that construction and development costs can be reduced as much as 35 percent through new regulatory tools and processes. Through the set-aside of funding for housing technology and regulatory studies, PD&R research will help policymakers better understand the nature and effects of these barriers and options for overcoming them. Among other impacts, past PD&R work has identified opportunities for streamlining rehabilitation codes to stimulate greater rehab activity to preserve existing housing. In fiscal year 2004, PD&R plans to study the impact that specific regulatory and other barriers have on the production of affordable housing, develop options for reducing these barriers, and work with a wide variety of stakeholders to ensure that information on barriers removal strategies is widely disseminated.

- **Development and evaluation of new strategies for expanding access to affordable housing.** This includes strategies for facilitating access to financing for construction and land acquisition and expanding access to information on the availability of land suitable for the development of affordable housing.
- **Improving the quality and management accountability of public and assisted housing.** PD&R is working on a number of program evaluations that will help to advance this objective, including evaluations of: the HOPE VI program, the SEMAP system for assessing PHA management of the housing choice voucher program, and the Mark-to-Market program. In fiscal years 2003 and 2004, PD&R will also conduct a crosscutting analysis of housing quality in HUD's various rental housing programs--public housing, Housing Choice Vouchers, and the project-based Section 8 program--utilizing a tenant survey that PD&R jointly developed with PIH.
- **Strengthening the Housing Choice Voucher Program.** PD&R has a long-standing research program focused on evaluating and improving the voucher program, which is HUD's largest affordable rental housing program. Indeed, a PD&R demonstration in the 1990s led directly to the implementation of the "voucher" model for tenant-based Section 8, which has now replaced the earlier "certificate" model. Recent studies have focused on evaluating voucher success rates, analyzing the reasons for underutilization of vouchers, and helping PHAs respond effectively to local concerns about the voucher program. Among other work in this area in fiscal years 2003 and 2004 will be a comprehensive analysis of HUD's Fair Market Rent policies in light of 2000 census data to determine if changes are needed to improve the usefulness of housing vouchers.
- **Helping HUD-assisted renters make progress towards self-sufficiency.** PD&R is presently evaluating a number of programs designed to advance this objective, including: the Family Self-Sufficiency Program; the Welfare-to-Work Housing Voucher program; the Jobs Plus program; and the Moving to Opportunity Program. PD&R is also closely analyzing HUD administrative data to establish a benchmark for assessing the efficacy of future efforts to increase the incomes of families in public and assisted housing. Work on these priorities will continue in future years.

#### Resource Management Information

PD&R's Field Economist staffs are included in this goal. The economists serve as the Department's primary source of intelligence on local economic and housing conditions particularly in the multifamily assisted housing areas. In the field, PD&R is requesting nine additional FTE in fiscal year 2003 and fiscal year 2004 for a total of 45 FTE. These additional FTE will be placed in vacant field economists' positions throughout the country. Staff throughout PD&R conducts research support functions for this goal. In Headquarters 22 FTE support this function in fiscal year 2002, three additional FTE are requested for Headquarters in fiscal year 2003 and fiscal year 2004. These additional FTE will be utilized in the reducing regulatory barriers to affordable housing initiative.

This goal also includes the Salaries and Expenses contract costs pertaining to the Quality Control for Rental Assistance Subsidy Determination system. These studies involve on-site income and rent recertification for a national sample of Public Housing and Section 8 households. This study will be done on an annual basis starting in fiscal year 2003.