ANNUAL PERFORMANCE PLAN

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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The Department of Housing and Urban Development

Fiscal Year 2022 Annual Performance Plan

09/03/2021

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About This Plan

The Fiscal Year (FY) 2022 Annual Performance Plan (APP) for the U.S. Department of Housing and Urban Development (HUD) provides detailed performance-related information to the President, the Congress, and the American people. This plan allows readers to identify HUD's FY22 performance targets, relative to HUD's priorities and stewardship of public resources. This plan consists of several important sections:

Agency Organization and Performance Reporting

The Agency Organization and Performance Reporting section establishes the context for the HUD enterprise in terms of HUD's organizational structure, scope of responsibilities, and management agenda.

Priorities, Performance Indicators, and Cross-Agency Priority (CAP) Goals[1]

The second section is the core of the APP and is organized by HUD's five priorities.[2] The Department's priorities align to HUD's FY22 Budget request and are intended to reflect the outcome or management impact the Department is trying to achieve. HUD will track each priority annually through a specific set of performance indicators. For each priority that HUD will monitor in FY22, HUD has included associated performance metrics to track our progress.

Performance indicators have targets and are how HUD will track its progress. For some performance indicators, HUD is still gathering data to establish baselines and preparing to set targets in future years. These metrics are indicated with the phrase "TBD" in the tables. A third category of indicators, marked as "Tracking Only," provide information about program operations or external conditions but will not have targets. For these indicators, targets would be difficult to establish, would not provide meaningful indications of agency performance expectations, or could create unintended incentives for program staff and our partners.

Some of the data published in the *FY 2020 Annual Performance Report (APR)* has been carried over into this report and modified by HUD. Information regarding changes to previously published indicators are in the footnotes of this report. Although HUD strives to maintain consistency year to year, the Department will continue to scrutinize the effectiveness of its metrics and make changes when areas for improvement are identified.

Additional Information

This third and final section of the document includes required supporting information, including a description of HUD's data-driven management review process, a summary of both completed and upcoming evaluations and research to inform progress on our strategic priorities, and a section on data validation and verification.

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[1] Cross-Agency Priority Goals are a subset of Presidential priorities that drive cross-government collaboration to tackle government-wide management challenges affecting most agencies. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.
[2] The Department is currently in the process of developing new strategic goals and objectives that align with the establishment of the FY22-26 Strategic Plan and are not featured in this document.

Section One: Agency Organization and Performance Reporting

Message from Secretary Fudge

I am pleased to present the Fiscal Year (FY) 2022 Annual Performance Plan (APP) for the U.S. Department of Housing and Urban Development (HUD). The APP describes our priorities for furthering HUD's mission.

Today, the United States is grappling with a crisis in affordable housing. Even before the onset of COVID-19, nearly 11 million Americans spent more than half of their incomes on rent; more than 580,000 people were experiencing homelessness on any given night; and the homeownership gap between Black and White families had reached its widest point since 1968—when banks could still legally discriminate against borrowers based on the color of their skin. The economic devastation inflicted by the pandemic has only deepened our housing crisis.

The FY22 APP charts HUD's vision for taking bold action to expand housing opportunity in our country. It outlines our strategies to deliver relief to renters and homeowners who have fallen behind on their housing payments during the pandemic—and to help struggling small landlords, who provide a vital source of affordable housing in many of our cities.

This document discusses our efforts to meet HUD's core responsibilities. These include our work to provide housing and supportive services to Americans experiencing homelessness; increase our Nation's supply of affordable rental housing; spark sustainable economic development in communities across our Nation; root out systemic racism from our housing market; and help more hardworking Americans realize their dream of homeownership.

Our APP details significant investments we will make in our Department's internal operations—including investments toward recruiting, hiring, and retaining employees. HUD's staffing has declined by 17 percent since 2012, which has limited our capacity to execute our mission. Filling critical roles at our headquarters and field offices will improve our ability to deliver services to the American people.

At HUD, we understand a stable home represents more than four walls and a roof. It can connect us to good schools, better jobs, more affordable transportation options, and communities with cleaner air and cleaner water. To put it simply, our homes serve as a bridge to greater opportunities and a better life.

I am proud to join all the outstanding public servants at HUD who work each day to provide every American with the chance to live with security, with dignity, and with hope.

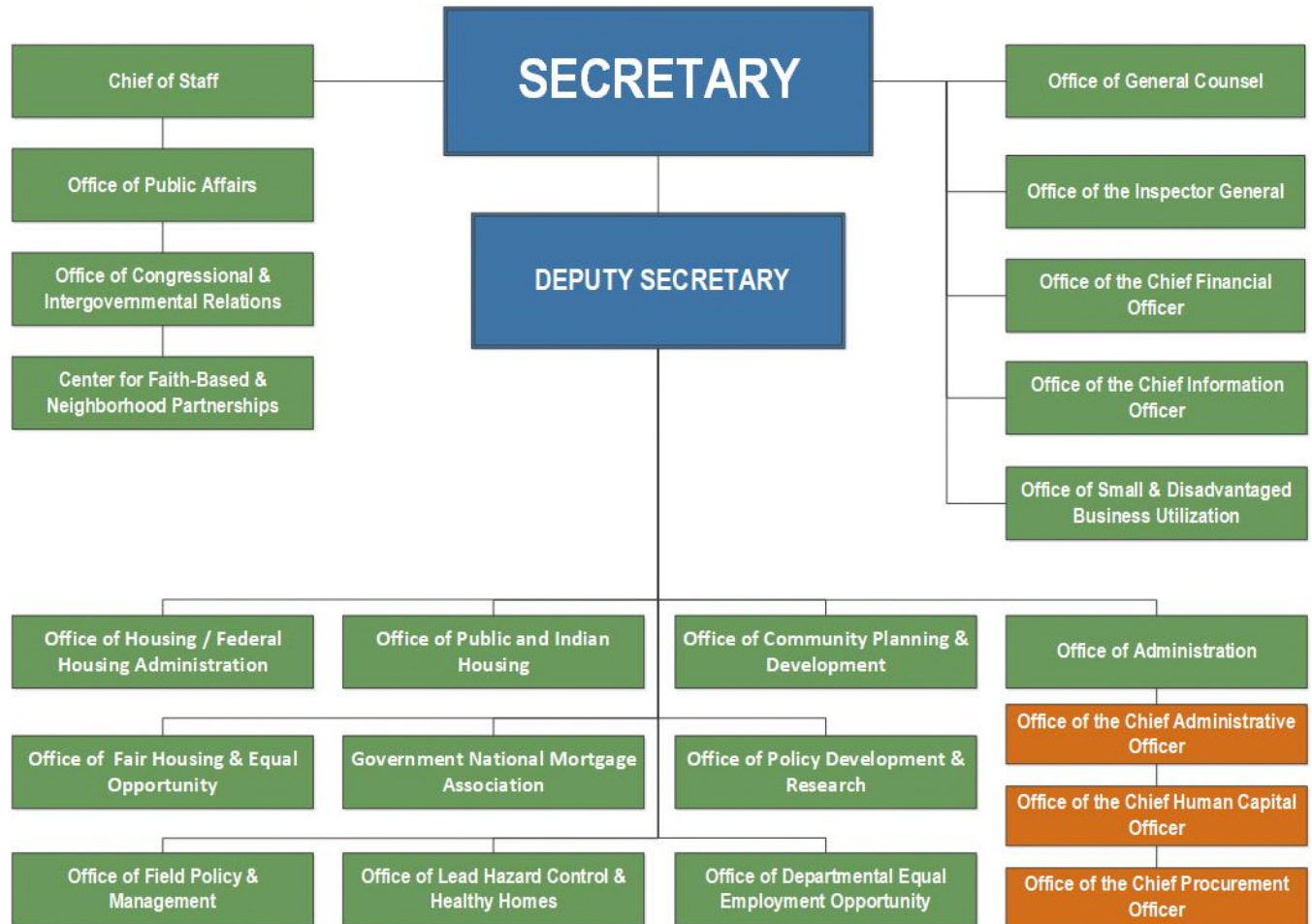Sincerely,

Secretary Marcia L. Fudge

Introduction

The *Fiscal Year (FY) 2022 Annual Performance Plan (APP)* for the U.S. Department of Housing and Urban Development (HUD) contains the Department's FY21-22 performance targets. In addition, this plan specifically highlights the Department's responses to the President's Executive Orders (EO) on advancing equity (EO 13985) and addressing climate change (EO 14008). HUD's continued response to the COVID-19 pandemic and the Department's management of CARES Act funding is also highlighted in this plan. This plan reflects HUD's continuing commitment to inform the American people, the Congress, its partners, and its employees about the mission and work the Department seeks to accomplish.

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes; utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination, and transform the way HUD does business.

The President's Budget will identify additional supporting program activities and initiatives, as required under the Government Performance and Results (GPRA) Modernization Act, 31 U.S.C. 1115(b)(10). The public will be able to access the volume at: https://www.gpo.gov/fdsys/browse/collectionGPO.action?collectionCode=BUDGET.

Department Structure

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                              SECRETARY

Chief of Staff                                           Office of General Counsel

Office of Public Affairs      DEPUTY SECRETARY           Office of the Inspector General

Office of Congressional &                               Office of the Chief Financial
Intergovernmental Relations                             Officer

Center for Faith-Based &                                Office of the Chief Information
Neighborhood Partnerships                               Officer

                                                        Office of Small & Disadvantaged
                                                        Business Utilization
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Office of Housing / Federal Housing Administration	Office of Public and Indian Housing	Office of Community Planning & Development	Office of Administration
Office of Fair Housing & Equal Opportunity	Government National Mortgage Association	Office of Policy Development & Research	Office of the Chief Administrative Officer
Office of Field Policy & Management	Office of Lead Hazard Control & Healthy Homes	Office of Departmental Equal Employment Opportunity	Office of the Chief Human Capital Officer
			Office of the Chief Procurement Officer

HUD, a Cabinet-level department created in 1965, is responsible for national policy and programs that address America's housing needs, improve and develop the Nation's communities, and enforce fair housing laws. It accomplishes its mission through component organizations and offices that administer programs carried out through a network of regional and field offices and partnerships with other Federal agencies, state and local grantees, and for-profit, philanthropic, and nonprofit organizations of the private sector.

▶ **Learn more about HUD's major organizational units and program offices**.
▶ **Learn more about HUD's regions and field offices**.

Advance Equity

Executive Order (EO) 13985 ("Advancing Racial Equity and Support for Underserved Communities Through the Federal Government") mandates that the Federal Government "pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality." HUD recognizes that some of its programs have historically supported inequities. The absence of an equity lens throughout the Department's work has served to reinforce discrimination in the United States, stunting the economic advancement of and access to housing as a form of wealth for members of underserved communities, particularly among people of color. Given the vital importance of housing and community to well-being, and HUD's role in promoting fair housing policies, HUD has an opportunity to remove barriers and promote equity for people in communities that have been historically underserved by its programs.

In response to EO 13985, HUD is launching a comprehensive effort under Secretary Fudge's leadership to embed equity within the Department's programs, policymaking, and operations. To move this work forward, HUD has created a Leadership Committee, a Working Group and a Coordinating Team, to provide guidance on the EO equity assessment and consider a longer-term equity strategy. As HUD works to build out the longer-term strategy to embed equity throughout its work, the Department acknowledges the need to promote equity through the more immediate priorities found in the Annual Performance Plan. With the FY22 Budget, HUD is proposing to increase funding streams to address systematic inequities in housing and grants programs, and resident services, to ensure every person has access to safe and high-quality housing.

Address Climate Change

The global impact of climate change threatens the health and safety of our communities in ways that require immediate action. HUD recognizes that it plays a central role in the Federal government's ability to meet the moment by preparing the Nation's communities to be resilient, reducing carbon emissions and energy use across housing, and delivering environmental justice for a more equitable society.

In response to the President's Executive Order 14008, "Tackling the Climate Crisis at Home and Abroad", HUD is moving swiftly to address the threat of climate change through an increase in investments in both existing and new programs. HUD has also launched a cross-departmental Climate and Environmental Justice Council, with representation at the Assistant Secretary level, along with a staff-level working group, to address lasting integration of climate change and environmental justice into the Department's programs and operations.

As part of the President's Climate Initiative, HUD will utilize $800 million in proposed FY22 funding to target the reduction of carbon pollution, increase climate resilience, and deliver environmental justice. Furthermore, the Department plans to invest a proposed $400 million towards the removal of environmental health hazards in homes, which predominately affect vulnerable populations and traditionally marginalized communities. The Department is focused on a two-pronged approach of mitigation and adaptation, by lowering the carbon footprint of the 4.5 million units of public and assisted housing (mitigation) and helping to increase the resilience of communities served by HUD programs to better withstand future disasters (adaptation). In addition, the Department's direct impact on communities, which often consist of a significant share of low- and moderate-income households and people of color, provides HUD with an opportunity to promote equity through an environmental justice agenda that seeks to reverse historic disinvestment and address environmental vulnerabilities in these communities.

Reducing the carbon emissions and environmental impact of HUD's approximately 4.5 million existing public and assisted housing units is critical to the Department's mitigation effort in combating climate change. HUD's most recent analysis found that its affordable housing assets produce an estimated 13.6 million metric tons of carbon emissions, and their utilities cost as much as 14 percent of the Department's total budget. Improving the energy and water conservation of HUD's housing stock will greatly reduce the environmental impact and the cost savings will free up more funds to be spent on providing housing. Significant investments in energy efficient and resilient retrofits of public and assisted housing will be a key driver of improving housing quality and efficiency. Also, HUD plans to implement measures to strengthen minimum codes and standards; incentivize investments in energy-efficient, high-performance building; and directly assist partners in the implementation of utility benchmarking and other proven measures in their properties, lowering energy use and reducing carbon emissions.

Increasing climate resilience in communities and properties served by HUD, as well as aiding in the rebuilding and long-term recovery plans of communities effected by natural disasters, are foundational features of the Department's adaptation effort in combatting climate change. Increasingly, low- and moderate-income communities are becoming more and more vulnerable to climate-related threats. Through increased investment in these areas, HUD will strengthen the future resilience of public and assisted housing against the threat of severe weather events, preserving the vital infrastructure that is the Nation's affordable housing stock. Additionally, continued partnership and funding of grants to communities and Tribes through programs managed by the Office of Public and Indian Housing (PIH), the Office of Housing, the Office of Community Planning and Development (CPD), and the Office of Lead Hazard Control and Healthy Homes (OLHCHH), as well as cross-governmental partnerships with the Department of Energy,

will continue to yield significant benefits and long-term savings by reducing the risk posed by future climate-related events and environmental health hazards.

Climate change is not an issue to be addressed reactively; it requires foresight, resolve, and innovation. HUD is committed to playing a major role in ensuring the long-term future of our vibrant communities, cultural resources, and environmental quality. The Department is committed to the President's priority of tackling the climate crisis and playing the essential role it has been given as directed by the President's Executive Order 14008 ("Tackling the Climate Crisis at Home and Abroad"). HUD's mission to create strong, sustainable, inclusive communities and quality affordable homes for all can only be achieved if we safeguard the planet we call home.

Response to the COVID-19 Pandemic

In FY22, HUD will continue efforts to support communities impacted by the COVID-19 pandemic. The Department has published a new coronavirus website to better communicate COVID-19 resources HUD has available to individuals and communities impacted by the pandemic.[3] HUD is also working jointly with the U.S. Department of Health and Human Services (HHS) to increase access to COVID-19 prevention and treatment services, including testing and vaccinations, among disproportionately affected communities, including among HUD-assisted households and people experiencing homelessness. Further, HUD and HHS expect the COVID-19 Vaccine Program will reach over 6,000 multifamily housing properties, 6,700 homeless shelters, and approximately 7,500 public housing properties across the country to help prevent and stop the spread of COVID-19.

Congress passed the American Rescue Plan (ARP) Act of 2021 in March of this year, which allocated an additional $10.77 billion in funding to the Department for housing relief. Secretary Fudge announced in April of this year that $5 billion of the ARP funds will be used to create emergency affordable housing and services for people experiencing or at risk of experiencing homelessness through the Home-American Rescue Plan (HOME-ARP). HOME-ARP funding gives states the flexibility to best meet the needs of these vulnerable populations, including through the development of affordable housing, tenant-based rental assistance, supportive services, and acquisition and development of non-congregate shelter units.

In addition to HOME-ARP, the Department will use ARP funds to provide:

- ▶ **Emergency housing vouchers:** The legislation provides $5 billion for emergency housing vouchers for individuals and families who are experiencing homelessness or at are risk of homelessness, or are fleeing domestic violence.
- ▶ **Housing assistance and supportive services programs for Native Americans:** The legislation provides $750 million for assistance for Native Americans and Native Hawaiians, helping reduce housing-related health risks during the pandemic.
- ▶ **Funds for fair housing activities:** The legislation provides $20 million for the Fair Housing Initiatives Program to investigate fair housing complaints, strengthen enforcement, and assist those who believe they have been victims of housing discrimination.

The ARP also provided $100 million to the Neighborhood Reinvestment Corporation (NeighborWorks) to deliver grants to housing counseling providers that serve households facing housing instability. The Department will work with NeighborWorks to implement this program.

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[3] www.HUD.gov/coronavirus.

HUD CARES Act Compliance and Response Team

HUD was appropriated approximately $12.4 billion in FY20 from the Coronavirus Aid, Relief, and Economic Security (CARES) Act to help address programs affected by the COVID-19 pandemic. This is equivalent to 22 percent of HUD's enacted appropriations for FY20 of $56.5 billion, further emphasizing the need for the accurate and appropriate use of funds. As a result, the Office of the Chief Financial Officer (OCFO) established the HUD CARES Act Compliance and Response Team (HCCRT) as the Agency-wide framework to ensure timely distribution of funds while following the requirements of the CARES Act. HCCRT coordinates efforts throughout the Department, providing accurate and actionable CARES Act compliance and reporting guidance to mitigate potential risks. Further, the team leads HUD's CARES Act management strategy by using three primary goals and objectives.

First, HCCRT continues to ensure funding is administered to its intended recipients by focusing on meeting deadlines, maximizing accuracy of funding programs, establishing communication and to ensure alignment and adoption of CARES Act requirements, and reporting clear and accurate information to decision-makers and oversight stakeholders.

Second, HCCRT strengthens internal controls to maximize the effectiveness of programs and manage risks of fraud, waste, and abuse. Under this second goal, HCCRT provides a unified Department-wide approach to compliance for HUD and its stakeholders. It assesses HUD's internal control processes to focus on fraud, waste, and abuse. HCCRT also serves as lead when responding and monitoring actions.

Third, HCCRT enhances capabilities to ensure successful program results from the disbursement of CARES Act funding. The team works to ensure that the Department has adequate staffing dedicated to addressing additional burdens as a result of the pandemic. With collaboration between OCFO, the Office of the Chief Information Officer (OCIO), and HUD's program offices, HCCRT strengthens its data and Information Technology (IT) systems to enable the additional processing and reporting required by the CARES Act. Lastly, the team educates and informs HUD's programs and offices on CARES Act compliance and reporting requirements.

The successful HCCRT framework that HUD uses to monitor CARES Act funding has been helpful in designing appropriate controls over the American Rescue Plan funding. HUD is using the reporting and internal coordination processes developed through the HCCRT to inform related work and is better able to anticipate further needs for upcoming supplementary funds due to the lessons learned in this process.

HUD's Five Priorities

HUD's Mission

Create strong, sustainable, inclusive communities and quality affordable homes for all.

Priority 1: Strengthen and broaden the Federal housing safety net for people in need.
Increase access to safe, stable, and affordable housing for those at high risk of homelessness or housing instability.

Priority 2: Advance housing equity as a means to improving housing choices and greater economic opportunity.
Support safe and sustainable homeownership opportunity and equitable access to credit for purchase and improvements while promoting wealth-building in underrepresented communities.

Priority 3: Increase the production of and access to affordable housing.
Address the housing crisis by increasing investments in opportunities that promote production and access to affordable housing and neighborhood choice, and strengthening Fair Housing policies and practices to build safe and resilient communities.

Priority 4: Promote climate resiliency, environmental justice, and energy efficiency across the housing sector.
Integrate climate considerations, promote innovation, and collaborate with stakeholders to continue building healthy, resilient, and energy-efficient communities.

Priority 5: Strengthen HUD's internal institutional capacity to deliver on mission.
Improve HUD's internal operations so that the Department can more effectively meet communities' housing needs.

Section Two: Priorities, Performance Indicators, and Cross-Agency Priority Goals

Priority 1: Strengthen and broaden the Federal housing safety net for people in need.

Increase access to safe, stable, and affordable housing for those at high risk of homelessness or housing instability.

LEADING THIS PRIORITY

Program Offices
Office of Community Planning and Development
Office of Housing
Office of Public and Indian Housing

OVERVIEW

One of HUD's core functions is to provide a safety net for households when they need it, and help people gain access to safe, affordable, and stable housing. HUD aims to address the housing crisis for our Nation's most vulnerable groups, including people of color with low incomes; Tribal communities;[4] immigrants; people with disabilities; people fleeing domestic violence, sexual violence, or human trafficking situations; people who identify as lesbian, gay, bisexual, transgender, or queer; and people involved in the criminal justice system.

The COVID-19 pandemic presented new challenges to our existing housing system. As this health and economic crisis worsens, more resources are needed to help those experiencing homelessness, to prevent homelessness, and to provide housing stability. This includes increasing production of and access to affordable housing (including Public Housing preservation and Manufactured Housing), deploying Rental Assistance, improving neighborhood choice, and addressing and fortifying Fair Housing tools, practices, and policies. HUD's rental assistance programs help 4.6 million low-income families[5] pay their rent, and over half of assisted families are elderly or have a disabled head of household. These programs provide safe, stable, and affordable housing. HUD aims to expand the number of people that can rely on the Department's programs: once people have stable housing, they can focus on their families, jobs, health, and other aspects of life.

INITIATIVES

200,000 Voucher Expansion

Increases in median rent costs has outpaced increases in median renter income since 2001 in nearly every state.[6] . To help address this problem, the Department's FY22 Budget proposes to expand the Housing Choice Voucher (HCV) program by increasing the number of vouchers available to those who currently qualify for rental assistance by 200,000 units. This is a first, yet significant, step toward making housing assistance available to families currently eligible for the Housing Choice Voucher program but do not receive assistance due to resource shortages.

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[4] Tribal communities are sovereign Nations. HUD administers housing and community development programs that benefit American Indian and Alaska Native tribal governments, tribal members, the Department of Hawaiian Home Lands, Native Hawaiians, and other Native American organizations.
[5] Total count of units supported by rental assistance programs serving households (each household occupies one unit).
[6] https://www.cbpp.org/research/housing/national-and-state-housing-fact-sheets-data.

In addition to the 200,000-voucher expansion, the Department also seeks to leverage the following existing programs:

Tenant-Based Rental Assistance (Housing Choice Vouchers)

Tenant-Based Rental Assistance (TBRA), commonly known as the Housing Choice Vouchers (HCV) program is primarily tenant-based assistance, which means HUD provides assistance to an individual household rather than tying assistance to a unit or property. HUD continues to take steps to improve the operations of the voucher program, enhance systems, and streamline requirements to reduce burden on public housing agencies (PHAs). Improving these key business processes to create efficiencies will enable staff to focus on HCV policy and finance issues and the expanding portfolio which includes the 200,000 voucher expansion.

Project-Based Rental Assistance

The Project-Based Rental Assistance (PBRA) program is a crucial component of the Federal housing safety net for people in need. The PBRA program provides over 1.2 million low-income and very low-income families with decent, safe, and affordable housing. Multifamily housing assisted by PBRA stabilizes neighborhood affordability and contributes to greater local economic opportunity by providing employment, increasing the buying power of assisted tenants in support of local businesses, and increasing local tax bases. The PBRA program directly contributes to job creation and retention in the fields of property management, maintenance, general construction, and contract work such as landscaping, pest control, security, snow removal, equipment servicing, legal representation, and property insurance. This creates reliable sources of rental income to tenants and landlords.

Housing for the Elderly (Section 202)

The Housing for the Elderly (Section 202) program is currently the only Federally funded program that expressly addresses the need for affordable elderly housing. This program expands the supply of affordable housing with supportive services for the elderly through Capital Advance funding and Project Rental Assistance Contracts. The Congregate Housing Services Program (CHSP) subsidizes the cost of supportive services that are provided on-site and in participants' homes, which may include, but are not limited to, congregate meals, housekeeping, personal assistance, transportation, and case management. The Department's FY22 Budget request proposes funding to continue to offer grants through the Service Coordinator Program and the Congregate Housing Services Program to support independent living and guard against premature transitions to nursing home care at properties that do not have a current service coordinator grant or funds allocated in their operating budgets for this purpose.

Housing for Persons with Disabilities (Section 811)

HUD's FY22 Budget request proposes funding for Section 811 to continue to provide project-based rental assistance to very low- and extremely low-income persons with disabilities. The program covers the difference between HUD-approved operating costs of the project and the tenants' contributions toward rent, as well as direct Capital Advance funding for construction. Smart investments in Section 811 supportive housing align with, and complement, state efforts to provide home and community-based services for persons with disabilities in independent housing settings, minimizing the need to institutionalize this vulnerable population. The program supports access to community-based support and services, such as case management, housekeeping, and daily living assistance to successfully live independently in the community.

Homeless Assistance Grants

HUD's Homeless Assistance Grants (HAG) provide housing and services for vulnerable individuals and families who are homeless or at-risk of homelessness. The Department's proposed FY22 Budget request include Emergency Solutions Grants (ESG), which supports over 350,000 persons in emergency shelter each year, and meet the need for the Continuum of Care (CoC) Program, which will allow HUD to

continue to serve over 750,000 people experiencing homelessness each year. Most resources will be made available through the annual CoC competition targeted to the following activities:

- Providing resources for CoC-funded projects to partner with other programs that provide housing or healthcare assistance, including the HCV program, local rental assistance programs, and Community Health Centers;
- Expanding coordinated entry systems to ensure that more resources, including mainstream housing and health care services and services for families and individuals can be facilitated through coordinated entry systems;
- Expanding outreach assistance to ensure that people experiencing unsheltered homelessness can access resources;
- Expanding HMIS to support additional data collection and support, particularly for mainstream housing and services resources;
- Providing additional funds for projects providing rapid re-housing and other assistance for people fleeing domestic violence; and
- Providing funds for additional Youth Homelessness Demonstration Program (YHDP) projects through a separate competition, including technical assistance to improve system responses to youth homelessness.

Public Housing Fund[7]

Public Housing grants are the only dedicated Federal resource available to PHAs to operate and maintain the Nation's public housing stock. The FY22 Budget request proposes to cover the day-to-day operational expenses as well as capital costs associated with public housing. The Public Housing Fund will provide payments to nearly 3,000 PHAs for the operation, management, maintenance, and capital needs of publicly owned affordable rental housing throughout the United States and its territories. The Public Housing Fund is to be allocated as grants to support operations such as:

- Grants awarded for Operations
- Grants awarded for Capital Needs
- Public Housing Grants for Housing Health Hazards
- Public Housing Grants for Lead-Based Paint Hazards
- Public Housing Grants for Emergencies and Natural Disasters
- Public Housing Grants for Safety and Security Needs
- Prevention, Recovery and Transformation of High Risk PHAs
- Public Housing Operating Shortfall Funding
- Financial and Physical Assessment
- Public Housing Energy and Water Conservation
- Climate Resilience and Energy Efficiency

KEY PERFORMANCE INDICATORS

To help achieve this priority, HUD has established the following performance indicators:

▶ **Number of families served through HUD rental assistance[8]**
   This measure will track the number of rental units occupied by HUD-assisted households.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target

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[7] In prior years, Congress enacted funds separately to the Public Housing Operating Fund and Public Housing Capital Fund. However, in the 2021 Appropriations Act, Congress has consolidated the activities of the two funds into the Public Housing Fund.
[8] This key performance indicator is a tracked figure rather than established as a target.

| 4,631,866 | 4,613,722 | 4,611,751 | Tracking Only | Tracking Only |

▶ **Length of homelessness[9]**

This measure will track the national average length of homelessness in CoCs.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
164	168	*TBD[10]*	*TBD*	*TBD*

▶ **Number of people experiencing homelessness[11]**

This measure will annually track the number of people experiencing homelessness in the Point-in-Time (PIT) count, a count taken on a single night in January each year.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target[12]	FY22 Target
552,830	567,715	580,466	*TBD*	*TBD*

CAP GOALS, STRATEGIC GOALS, STRATEGIC OBJECTIVES, AND AGENCY PRIORITY GOALS

HUD is currently in the process of developing new strategic goals, strategic objectives, and Agency Priority Goals (APGs) to align with the strategic priorities highlighted in the FY22 Budget. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.

EVIDENCE

HUD's Office of Policy Development and Research (PD&R) has produced an extensive body of evidence on the scope of housing needs among renters nationally, how HUD programs meet those needs, and how those programs could be enhanced to meet these needs in the future. PD&R supplements its surveys of national and regional market activity with biennial reports to Congress about households with "worst-case housing needs." Renter households with very low incomes who do not receive government housing assistance and who pay more than one-half of their income for rent, live in severely inadequate conditions, or both, have worst case needs for adequate, affordable rental housing. Worst-case housing needs affect 7.7 million very low-income renter households, with a shrinking proportion of affordable and available units relative to need.[13]

Following the completion of preliminary reports, PD&R produced follow-up outcomes analyses for two landmark studies intended to shed light on improvements to HUD's core programs: the Rent Reform Demonstration and the Rental Assistance Demonstration. The Rent Reform Demonstration was designed

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[9] FY21 and FY22 Targets are under internal review and will be updated in conjunction with the FY22-FY26 HUD Strategic Plan. At this time, only persons experiencing sheltered homelessness are included in this measure.

[10] System Performance Measures are submitted by CoCs to HUD each April on the last complete fiscal year, and then must go through a limited validation process. Thus, FY20 actuals will be available in August 2021.

[11] FY21 and FY22 Targets are under internal review and will be updated in conjunction with the FY22-FY26 HUD Strategic Plan.

[12] There will not be a national number of people experiencing homelessness in 2021 due to COVID because many communities did not do a count.

[13] "Worst Case Housing Needs: 2019 Report to Congress" (2020), https://www.huduser.gov/portal/publications/worst-case-housing-needs-2020.html.

to test an alternative to the current HUD-assisted rent structure to assess its effect on the employment, earnings, and hardship of the residents that rely on housing vouchers. The results indicate that, when the findings for all four study PHAs are combined, the new policy generated a small statistically significant increase in heads of household's quarterly employment rate. The story, however, varied substantially across locations as there were some positive effects on earnings in one site, on earnings and employment in another, but not in the other two sites.[14] The Rental Assistance Demonstration (RAD) provides PHAs with new options for preserving Public Housing units through conversion to the more financially sustainable project-based Section 8 assisted housing platform. PD&R's evaluation shows that as of October 2018 over 100,000 units of public housing were converted to the Section 8 platform under RAD and over $12.6 billion was raised, with significant leverage, from numerous sources to improve the physical and financial condition of properties. The study confirmed that the physical and financial condition of converted properties improved, and a majority of tenants reported that the physical condition of their units and developments was better after conversion. More than 80 percent of interviewed tenants expressed satisfaction with their units and developments post-conversion.[15]

HUD's research helps form the backbone of evidence supporting efforts to prevent and end homelessness among several key populations. PD&R's landmark Family Options study found that families who received priority access to deep housing subsidies experienced major decreases in returns to homelessness and increases in family well-being relative to those offered usual care in shelters, and documented major cost savings of rapid rehousing and permanent housing relative to shelter and transitional options on a per-month basis.[16] HUD draws on the considerable research literature regarding Permanent Supportive Housing (PSH) and the Housing First program model when implementing programs for chronically homeless individuals. Randomized controlled trials evaluating PSH programs using a Housing First approach show that it improves housing stability, physical and mental health, and a variety-of-quality of life measures while also yielding cost savings through reduced need for emergency health services.[17]

In partnership with the Assistant Secretary for Planning and Evaluation at the U.S. Department of Health and Human Services (HHS), HUD recently completed a research effort exploring the rise in unsheltered homelessness encampments in many major cities and the costs of the interventions being deployed. The final report on the costs of encampment responses in four major cities, published in early 2021, provides a useful template for local governments to assess their own interventions.[18] The Understanding Rapid Re-Housing (RRH) study, published in early 2020, provides the first comprehensive documentation of RRH participant experiences and program practices in different types of communities.[19] Other recent projects such as the Youth Homelessness Demonstration are designed to build on available research to understand how program models can meet the needs of key target populations, and how they have evolved from demonstration projects to components of the HUD homeless assistance system nationally.

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[14] https://www.huduser.gov/portal/publications/RentReform-InterimFindings.html.
[15] https://www.huduser.gov/portal/publications/RAD-Evaluation-Final-Report.html.
[16] "Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families" (2016), https://www.huduser.gov/portal/publications/Family-Options-Study.html.
[17] Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness (2018), https://www.ncbi.nlm.nih.gov/books/NBK519597/#ref_000409.
[18] Exploring Homelessness Among People Living in Encampments and Associated Cost: City Approaches to Encampments and What They Cost (2021), https://www.huduser.gov/portal/publications/Exploring-Homelessness-Among-People.html.
[19] https://www.huduser.gov/portal/publications/RRH-community-scan-report.html.

Priority 2: Advance housing equity as a means to improving housing choices and greater economic opportunity.

Support safe and sustainable homeownership and equitable access to economic opportunity in underrepresented communities.

LEADING THIS PRIORITY

Program Offices
Office of Fair Housing and Equal Opportunity
Office of Community Planning and Development
Office of Public and Indian Housing
Office of Policy Development and Research

OVERVIEW

HUD recognizes that implementation of Federal housing policies lacking an equity lens over many decades has reinforced discriminatory practices that disproportionately affect people of color, Tribal communities, and lower-income communities. Failing to address these inequities has restricted residents of those communities from access to high-quality housing, jobs, public transit, and other resources and stunted their economic advancement. The Department will work to proactively advance housing for historically underserved communities and build inclusive and sustainable neighborhoods through investments in key initiatives directed at redressing systemic housing discrimination and patterns of racial and ethnic segregation and economic disparities. To advance the implementation of equitable policies, HUD will focus on deploying tools that utilize housing as a sustainable platform for improving quality of life, advancing greater economic opportunity for HUD-assisted residents, and increasing sustainable homeownership for underserved borrowers.

INITIATIVES

Fair Housing Programs

The Office of Fair Housing and Equal Opportunity (FHEO) has requested $85 million dollars across four programs for targeted and coordinated enforcement, education, and outreach. The Fair Housing Initiatives Program (FHIP) will utilize $56 million to support grants to private fair housing organizations and education and outreach on fair housing rights and responsibilities. The Fair Housing Assistance Program (FHAP) will allocate $25 million to support state and local civil rights enforcement agencies with grants, training, and technical assistance. The Limited English Proficiency Initiative (LEPI) will use its $1 million appropriation to continue English translation and interpretation services and support for private fair housing organizations with community-focused efforts to reach LEP populations. The National Fair Housing Training Academy (NFHTA) will invest $3 million to support national training on fair housing investigation and conciliation techniques.

Community Development Block Grant Program Funds for Historically Underserved Areas

A new investment of $295 million under the Community Development Block Grant (CDBG) Program will incentivize communities to direct funds to historically underserved communities and neighborhoods. These additional CDBG funds will be available via formula to grantees that opt-in and agree to use the

funds for more geographically targeted, potentially transformational activities that promote equity and economic recovery. Participating grantees will be able to apply the lessons learned and influence investment decisions for their other CDBG and local funds. The Department will continue advancing local community development practices across the entire CDBG portfolio by sharing successful models nationally.

Increase in Indian Housing Block Grant Formula Initiative

The Indian Housing Block Grant (IHBG) Program is the single largest source of funding for low- and moderate-income families in Indian Country, where safe, decent, and affordable housing is desperately needed. Facing increased demand, increased costs, and largely leveled funding for IHBG, Indian tribes are using more of the funds to operate and maintain units rather than build new units. The FY22 budget proposes a $723 million investment, a $76 million increase over the previous year's total, for formula grants to finance affordable housing construction and related community development.

Mobility Services Initiative (New)

The new Mobility Services initiative, under the Tenant-Based Rental Assistance (TBRA) program, will provide $490 million to fund cost-effective housing mobility services to assist families with children to move from areas of extreme poverty to higher opportunity neighborhoods. Participating families may receive mobility counseling, moving assistance in the form of security deposit or landlord incentive payments, and activities such as credit counseling or portability coordination. These services will also help address regulatory and administrative barriers to public housing agency collaboration with the goal of reversing the effects of residential segregation adversely impacting people of color.

Self-Sufficiency Programs

The Department's self-sufficiency programs promote economic opportunity for HUD-assisted residents by encouraging self-sufficiency and financial stability. The FY22 Budget proposes $175 million for three existing self-sufficiency programs. Funding for Family Self-Sufficiency (FSS) will cover the salaries of FSS coordinators, allowing participants to access training, education, and financial empowerment opportunities provided through national, state, and local programs. The Jobs Plus Initiative (JPI) investment will allow the Department to fund up to 10 new grantees, which will in turn help address poverty with the implementation of its evidence-based three-pronged approach of employment services, rent-based work incentives, and community support for work. The Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinator Program uses funding to hire and maintain Service Coordinators, who are vital to the process of evaluating community needs and coordinating available resources to meet those needs. Additionally, HUD will continue to advance evidence-based innovations that support self-sufficiency through the Moving to Work (MTW) Expansion program.

Eviction Prevention Demonstration

HUD's PD&R will continue to execute the Eviction Protection Grant Program, a $20 million competitive grant program that funds nonprofit or governmental entities to provide free legal assistance to eligible low-income tenants at risk of or subject to eviction. The grants will support legal services for tenants experiencing eviction as well as other eviction-related services for tenants who are at risk of eviction but not yet subject to it. PD&R staff will provide grants management and oversight to ensure the funds prioritize outreach and assistance to eligible low-income tenants in historically underserved populations – including residents of areas where low-income tenants are at high risk of eviction, residents of rural areas, people with limited English proficiency, and people with disabilities.

KEY PERFORMANCE INDICATORS

To help achieve this priority, HUD has established the following performance indicators:

► **Number of cases referred by Fair Housing Initiatives Program (FHIP) organizations**

This measure will track the number of cases completed each year that were referred by FHIP organizations to HUD or a FHAP partner and that result in a recommendation of a legal charge of discrimination or conciliation of the case.

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target[20]	FY22 Target
Cases referred by FHIP organizations	771	692	739	520	740
Cases that resulted in a recommendation of a legal charge	47	63	82	40	80
Cases that resulted in conciliation of case	305	277	281	195	280

► **Number of cases Fair Housing Assistance Program (FHAP) agencies processed**

This measure will track the number of cases processed by FHAP agencies each year that result in a recommendation of a legal charge of discrimination or a conciliation of the case.

	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target[21]	FY22 Target
Cases FHAP agencies processed	6,127	6,066	5,876	5,300	5,800
Cases that resulted in a recommendation of a legal charge	416	467	457	320	450
Cases that resulted in conciliation of case	1,294	1,234	1,121	1,000	1,100

► **Number of Limited English Proficiency Initiative (LEPI) services provided**

This measure will track the number of instances of documents translated into other languages and the number of instances of foreign language interpretation provided in support of HUD programs.

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[20] FY21 Targets reflect reduced activity due to COVID-19.
[21] FY21 Targets reflect reduced activity due to COVID-19.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
985	1,098	1,149	1,432	1,718

▶ **Number of FHIP and FHAP fair housing practitioners who attend National Fair Housing Training Academy (NFHTA) courses[22]**
This measure will track the number of practitioners who attend training activities, which include five different courses on building knowledge and skills on fair housing.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
N/A	N/A	195	Tracking Only	Tracking Only

▶ **Number of households served through the Eviction Protection Grant[23]**
This measure will track the cumulative number of households subject to or at risk of eviction that receive eviction protection services through the grant program, as reported by grantees.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
N/A	N/A	N/A	Tracking Only	Tracking Only

CAP GOALS, STRATEGIC GOALS, STRATEGIC OBJECTIVES AND APGs

HUD is currently in the process of developing new strategic goals, strategic objectives, and APGs to align with the strategic priorities highlighted in the FY22 Budget. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.

EVIDENCE

Housing equity and access to credit remain a significant challenge for the Nation. Harvard researchers report that the Black-White homeownership gap has reached 31 percentage points, the greatest disparity in decades.[24] Increasing access to credit is a key component for expanding homeownership opportunities. Recent PD&R research documented that credit histories of assisted renters can be strengthened substantially by providing credit agencies with their rental payment histories.[25] Economic mobility is essential for disadvantaged households to get ahead. Recent research has shown the importance of exposure to opportunity neighborhoods, with adult economic outcomes improving about 4 percent per year of childhood exposure to good neighborhoods.[26]

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[22] NFHTA restarted operations in FY2020.
[23] The FY18-20 actuals do not exist because this is a new measure.
[24] Joint Center for Housing Studies. 2020. "State of the Nation's Housing 2020." https://www.jchs.harvard.edu/state-Nations-housing-2020.
[25] Policy and Economic Research Council. 2019. Potential Impacts of Credit Reporting Public Housing Rental Payment Data. https://www.huduser.gov/portal/sites/default/files/pdf/Potential-Impacts-of-Credit-Reporting.pdf.
[26] Chetty, Raj and Nathaniel Hendren. 2018. "The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects. *Quarterly Journal of Economics.* 133, 3: 1107-1162. https://scholar.harvard.edu/hendren/publications/impacts-neighborhoods-intergenerational-mobility-i-childhood-exposure-effects.

HUD's Office of PD&R has launched a range of high-profile research efforts meant to better understand the ways that assisted housing can be a platform for promoting self-sufficiency and economic opportunity. PD&R recently launched the Mobility Demonstration, a large-scale, multi-site randomized controlled trial to test and evaluate the effectiveness of providing voucher assistance and mobility-related services to families with children to encourage such families to move to lower-poverty areas and expand access to opportunity areas. The rigorous, multi-year evaluation will assess whether families receiving mobility-related services are more likely to move to low poverty, higher opportunity areas, how long families stay in those areas, and the costs associated with these services.

PD&R recently published a multi-part evaluation of the Moving to Work (MTW) Demonstration program as it is currently operating in 39 PHAs.[27] This retrospective evaluation produced six reports that together provide the most comprehensive description to date of the housing assistance provided by current MTW agencies, the households served by MTW agencies, and the success of MTW agencies in relation to the demonstration's statutory objectives of cost effectiveness, self-sufficiency, and housing choice. PD&R is also developing a multi-part evaluation of the ongoing expansion of the MTW Demonstration. This expansion will grant 100 PHAs the flexibility to restructure some programs, reallocate resources, and implement innovative programs. HUD is rolling out the expansion in cohorts to allow for more rigorous analysis of various elements of the MTW Demonstration program. The first cohort will test how small PHAs used their flexibility to better meet community needs and the three MTW statutory objectives of housing choice, cost-effectiveness, and self-sufficiency. Subsequent cohorts of PHAs will test the efficacy of various rent reform proposals, landlord incentives, and other innovative practices.

HUD's other primary tool for promoting self-sufficiency and economic opportunity among assisted tenants is the Family Self-Sufficiency (FSS) program. In FSS, participants work with case managers to set goals and access services. In addition, any increases in the family's rent as a result of increased earned income during the family's participation in the program result in a credit to the family's escrow account that can be accessed upon graduation from the program. In 2012, HUD commissioned a national random assignment evaluation of the Family-Self Sufficiency (FSS) program's impacts on labor market and other quality of life outcomes for households receiving Housing Choice Vouchers (HCV). The FSS evaluation has documented implementation, participants' engagement in the program, and program impacts on labor force participation and government benefits receipt over the first two years of what is typically a five-year program. So far, FSS participants have increased enrollment in employment-related services and support services by a statistically significant 13 percentage points. Participants in the FSS program have not seen substantive changes to their employment rates and average earnings thus far but have experienced small shifts from part-time to full-time employment.[28]

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[27] https://www.huduser.gov/portal/mtw/study.html.
[28] https://www.huduser.gov/portal/publications/Promoting-Work-and-Self-Sufficiency-for-Housing-Voucher-Recipients.html.

Priority 3: Increase the production of and access to affordable housing.

Address the housing crisis by increasing investments in opportunities that promote access to affordable housing, neighborhood choice, and practices to build safe and resilient communities.

LEADING THIS PRIORITY

Program Offices
Office of Housing
Office of Community Planning and Development

OVERVIEW

Increasing the availability of safe, affordable housing is essential to the resilience of households and communities. The President's budget provides the opportunity to expand the number of people that can rely on HUD's programs, acknowledging that once people have stable housing, they can focus on their families, jobs, health, and other aspects of life.

HUD will focus on ensuring underserved communities and individuals have access to credit while fairly and sensibly managing risk to the Federal Housing Administration (FHA) portfolio. The Government National Mortgage Association (Ginnie Mae), will also continue to ensure a strong secondary market for mortgages insured or guaranteed by Federal agencies. Furthermore, HUD will coordinate with other Federal agencies to increase access to, and reduce funding costs for multifamily mortgage loans insured by FHA through its risk-sharing programs.

INITIATIVES
HOME Investment Partnerships Program and New FirstHOME Downpayment Initiative

The HOME Investment Partnerships Program (HOME) serves as a key foundation of the United States' affordable housing finance system by providing formula grants to states and localities to fund a wide range of activities. Communities, in partnership with local nonprofit groups, use this funding for building, buying, and rehabilitating affordable housing for rent or homeownership, or to provide direct rental assistance to low-income individuals. HUD seeks to fund the HOME program by investing $1.85 billion, including $100 million for the FirstHOME Downpayment Assistance initiative, to provide funding to states and insular areas to better support sustainable homeownership, particularly among first-time homebuyers.

FHA (Good Neighbor Next Door Program and Home Equity Accelerator Loan Program)

HUD aims to further develop homeownership resources through FHA by investing $30 million, as requested in the 2022 Budget, to expand the Good Neighbor Next Door (GNND) Program and create the Home Equity Accelerator Loan (HEAL) Pilot. The GNND Program offers a substantial discount (50% off the list price) to law enforcement officers, teachers (pre-Kindergarten through 12th grade), firefighters, and emergency medical technicians, to encourage them to purchase and reside in homes in Revitalization Areas (HUD-designated geographic areas authorized by Congress under provisions of the National Housing Act). The HEAL Pilot would test new loan products designed to reduce barriers to

homeownership. The proposed GNND expansion and HEAL Pilot will assist FHA in equitably strengthening underserved communities by providing affordable housing to people that serve those neighborhoods and expanding access to credit for traditionally marginalized and excluded potential homebuyers.

Section 202/811 Increased Production

Section 202, Housing for the Elderly, provides seniors with housing options, which promote both independence and safety, in an environment that provides connections to supportive services such as cleaning, cooking, and transportation. Section 202 is particularly important in ensuring housing for very low-income elderly individuals who have been adversely impacted by the COVID-19 pandemic. HUD seeks to invest $928 million for Section 202, which includes funding for renewals and amendments of Project Rental Assistance Contracts (PRACs) and Senior Preservation Rental Assistance Contracts (SPRACs), providing very low-income seniors with continued access to affordable housing. In addition, this includes investments in new Capital Advance funding to increase the supply of affordable housing for seniors by approximately 1,100 units.

Section 811, Housing for Persons with Disabilities, provides project-based rental assistance to very low and extremely low-income individuals with disabilities to live independently in integrated housing settings with community-based support and services. HUD plans to invest $272 million in the Section 811 program to fund PRAC and Project Assistance Contract (PAC) renewals and amendments, which will afford lower income individuals with disabilities continued access to affordable housing. Additionally, the Department's investments will provide increases to Capital Advance and Project Rental Assistance to support 900 new units, expanding the supply of affordable, community-based housing with connections to critical supportive services for individuals with disabilities.

Rental Housing Production through Risk-Sharing Financing

HUD will restart and extend the Federal Financing Bank (FFB) risk-sharing initiative started in 2015 to increase access to and reduce the cost of funding for multifamily mortgage loans insured by FHA through its risk-sharing programs. This initiative is an inter-agency partnership between HUD, the United States Treasury's FFB, and Housing Finance Agencies (HFAs). The program provides a Ginnie Mae-like financing mechanism for risk share partners until use of Ginnie Mae securitization is allowed for the Section 542(c) programs, which provide credit enhancement for mortgages of multifamily housing projects whose loans are underwritten, processed, serviced, and disposed of by HFAs. Through this program, HUD and HFAs will share in the risk of the mortgage. To address the critical need for affordable housing, and to ensure a stable source of capital in an environment of volatile tax-exempt bond pricing. HUD will temporarily resume this program while phasing in Ginnie Mae securitization for Section 542(c) risk share loans.

KEY PERFORMANCE INDICATORS[29]
To help achieve this priority, HUD has established the following performance indicators:

▶ **Percentage of new FHA-insured purchase mortgages that are first-time homebuyers**
   This measure computes the percentage of FHA single-family purchase originations for which the borrower is a first-time homebuyer.

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[29] FY21 and FY22 Targets are under internal review and will be reestablished in conjunction with the FY22-FY26 HUD Strategic Plan.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
82.7%	82.8%	83.1	Tracking Only	Tracking Only

▶ **Capital Reserve Ratio**
The capital ratio compares the "economic net worth" of the Mutual Mortgage Insurance Fund (MMIF) to the dollar balance of active, insured loans, at a point in time. Economic net worth is defined as a net asset position, where the present value of expected future revenues and net claim expenses is added to current balance sheet positions. HUD will maintain a capital reserve ratio that meets or exceeds the statutory minimum requirement.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
2.76%	4.84%	6.1%	*TBD*	*TBD*

CAP GOALS, STRATEGIC GOALS, STRATEGIC OBJECTIVES AND APGs

HUD is currently in the process of developing new strategic goals, strategic objectives, and APGs to align with the strategic priorities highlighted in the FY22 Budget. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.

EVIDENCE

HUD's Office of PD&R produces quarterly reports on U.S. Housing Market Conditions and the monthly National Housing Scorecard to document the status of rental and owner housing markets including production, transactions, and affordability. Production of housing in proportion to household formation is critical to achieving affordability. Rental affordability is near historic lows, as affordability of the median rent relative to the median renter income at the end of 2020 was 27 percent below its peak in the first quarter of 2001. Affordability of owner-occupied homes is variable because of shifting mortgage interest rates and home prices, and in 2020 was 52 percent better than its pre-recession low point in 2006.[30] Each year, the Department also prepares the Annual Report to Congress Regarding the Financial Status of the Mutual Mortgage Insurance Fund, which provides important insights for Congress and the American taxpayer into the financial performance of FHA[31] and the Agency Financial Report.[32] PD&R recently produced an analysis of past FHA loan limit policies,[33] and future efforts will continue to build evidence of effective approaches to fostering homeownership through original research and more extensive collaboration with outside partners. Research on housing finance, securitization, and risk assessment from partners such as Ginnie Mae and FHA will be critical to bolstering HUD's future evidence base.

PD&R is conducting an evaluation of the First-Time Homebuyer Education and Counseling Demonstration to assess the impact of homebuyer education and counseling for prospective first-time homebuyers. Early results provided useful analysis about what types of clients are more likely to take

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[30] The National Housing Scorecard is available online at: https://www.huduser.gov/portal/ushmc/hmi-update.html.

[31] The Annual Report to Congress Regarding the Financial Status of the Mutual Mortgage Insurance Fund is available at https://www.hud.gov/fhammifrpt.

[32] The HUD Agency Financial Report is available online at: https://www.hud.gov/program_offices/cfo/reports/cforept.

[33] https://www.huduser.gov/portal/publications/FHA-Loan-Limits.html.

advantage of counseling services.[34] Preliminary evidence about short-term (12- to 18-month) impacts is mixed, showing higher rates of confidence, feelings of preparedness, and satisfaction with the homebuying process, but without clear impacts on short-term loan performance measures or other outcomes.[35] The final report on long-term impacts of education and counseling on homebuyer outcomes, and loan performance of low- to moderate- and middle-income (LMMI) first-time homebuyers is expected in 2021.

A study of the potential of downpayment assistance through the HOME-American Dream Downpayment Initiative found that small amounts of savings can have significant impact on the probability of transitioning to homeownership, and simulations suggest that small amounts of downpayment assistance can stimulate substantial homebuying.[36] Recent studies have assessed the role of down-payments in reducing mortgage risk under varied macroeconomic conditions.[37]

FHA also makes a substantial contribution to multifamily housing. Administrative data show that on average over the last three years (FY 2018 to FY 2020), FHA completed initial endorsements on 1,179 multifamily mortgages per year representing 174,176 units and $19.2 billion of financing. Of these endorsements, new construction represented 219 mortgages per year, 34,850 units, and $5.1 billion of financing.[38] As more than 87 percent of rental units are in single-family properties (1 to 4 units) or small multifamily properties (5 to 49 units), a 2015 study examined alternative FHA mortgage insurance programs for financing such properties and identified options for expanding FHA's role.[39] The Low Income Housing Tax Credit program continues to be the largest federal production subsidy program; research indicates that the majority of LIHTC units remain affordable after the 15-year initial compliance period ends.[40]

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[34] Who Participates in Homebuyer Education and Counseling Services and Why? Insights From HUD's First-Time Homebuyer Education and Counseling Demonstration (2018), https://www.huduser.gov/portal/publications/First-Time-Homebuyer-Education-and-Counseling-Services.html.

[35] Short-Term Impact Report: The HUD First-Time Homebuyer Education and Counseling Demonstration, Preliminary Findings (2019), https://www.huduser.gov/portal/publications/Short-Term-Impact-Report.html.

[36] HUD. 2005. "The Potential of Downpayment Assistance for Increasing Homeownership Among Minority and Low-Income Households." https://www.huduser.gov/portal/publications/homeown/downpayasstlih.html.

[37] https://www.huduser.gov/portal/sites/default/files/pdf/Downpayment-FinalReport.pdf.

[38] HUD. 2021. "FHA MF Firm Commitments and Endorsements Historical Database (FY 2006 - FY 2020)." https://www.hud.gov/program_offices/housing/mfh/mfdata/mfproduction. Excludes loans for Hospitals and Group Practice facilities.

[39] HUD. 2015. "Examination of Alternative FHA Mortgage Insurance Programs for Financing Single-Family Rental and Small Multifamily Rental Properties." https://www.huduser.gov/portal/publications/hsgfin/externalfha042015.html.

[40] HUD. 2012. "What Happens to Low-Income Housing Tax Credit Properties at Year 15 and Beyond?" https://www.huduser.gov/portal/publications/hsgfin/lihtc_report2012.html

Priority 4: Promote climate resiliency, environmental justice, and energy efficiency across the housing sector.

Integrate climate considerations, promote innovation, and collaborate with stakeholders to continue building healthy, resilient, and energy-efficient communities.

LEADING THIS PRIORITY

Program Offices
Office of Public and Indian Housing
Office of Lead Hazard Control and Healthy Homes
Office of Housing (Multifamily Housing)

OVERVIEW

HUD programs are uniquely positioned to directly impact a significant share of low- and moderate-income households and people of color in communities that are often more vulnerable to climate change due to their locations, aging infrastructure, and historic disinvestment. In FY22, HUD will continue to collaborate with the Department's stakeholders in building healthy, resilient, and energy-efficient communities. HUD also seeks to holistically integrate climate considerations throughout the Department's programs because of the pressing global challenges from climate change. By integrating climate considerations into the Department's programs, HUD will be better positioned to create strong, sustainable, inclusive communities, and quality affordable homes for all. Specifically, initiatives proposed in the FY22 Budget request that will support HUD's climate resiliency objective include an $800 million Climate Initiative proposal and a $400 million investment in the expansion of the Department's Lead Hazard and Healthy Homes Program.

INITIATIVES
$800 Million Climate Initiative Proposal

In response to the President's Executive Order 14008 ("Tackling the Climate Crisis at Home and Abroad"), HUD's FY22 Budget includes an $800 million Climate Initiative proposal targeting the reduction of carbon pollution, increasing resilience to the impact of climate change, and delivering environmental justice. This proposal identifies a series of investments that are crucial to assist communities throughout the country to prepare for and mitigate the worst effects of climate change. Through these investments, HUD will utilize its programs to drive forward significant efforts in environmentally focused development, address environmental injustice, and promote equity in communities across the country.

The Public Housing Fund will invest $300 million of Climate Initiative funds to pay for the installation of measures to increase energy efficiency and reduce water consumption in public housing. Native American Programs will allocate $100 million to eligible Indian Tribes and Tribally Designated Housing Entities (TDHEs) for energy efficiency and climate resilience improvements, including water conservation. Preliminary estimates indicate this funding would allow HUD to retrofit approximately 16,600 housing units. In addition, the Choice Neighborhoods grant program has requested a $50 million supplement to further support energy-efficient housing construction and environmentally sensitive and resilient design of community improvement projects.

HUD also recognizes the opportunity the Department has in lowering carbon emissions and energy costs by improving the energy performance of HUD's assets. The new Green and Resilient Retrofit Program will invest $250 million of the Climate Initiative funds to rehabilitate Multifamily-assisted properties to be more energy-efficient, healthier, and more resilient to extreme weather. This increased investment will improve the stock of affordable housing available to many low- and extremely low-income families, often from marginalized communities.

The Rental Assistance Demonstration Program will use $100 million under the Tenant-Based Rental Assistance (TBRA) and the Project-Based Rental Assistance (PBRA) programs for public housing authorities to transition public housing units to the Section 8 platform. This program preserves and improves public housing properties and will enable public housing authorities to holistically address critical property needs, environmental hazards, and energy inefficiencies, while simultaneously increasing housing choice for residents.

Expand Lead Hazard Control and Healthy Homes

Studies by the Office of Lead Hazard Control and Healthy Homes (OLHCHH), PD&R, and Census have found that residential environmental health hazards are significantly more prevalent in the homes of low-income families and racial minority families, and health studies have long shown that children are more sensitive to many such hazards because of the rapid development of their physiological systems. As a result, HUD will invest $400 million of proposed funding in OLHCHH towards protecting low-income families, particularly those with children, and other vulnerable populations from environmental health hazards that threaten their well-being. The Department's increased investments will allow this office to focus resources on some of the most vulnerable communities in an effort to support environmental justice and racial equity.

The Department will direct $305 million in Lead Hazard Reduction Grants to make 25,500 unassisted low-income older homes free of lead-based paint hazards. OLHCHH will also manage $85 million in Healthy Homes grants and support funds to help grantees identify and mitigate multiple health hazards in housing that is occupied by low-income households. This Healthy Homes funding also includes $5 million for corresponding technical studies and assistance activities in that subject area.

In addition to lead and health hazard identification and remediation, the Department will invest $5 million in lead technical studies and support to develop detection, evaluation, and control technologies regarding lead-based paint hazards, and provide the basis for the building, housing, scientific, and public health communities to address the hazards more efficiently and broadly. The technical studies and assistance activities are conducted through grants, cooperative agreements, and contracts, and include technical support and training, grant management and evaluation tools, and interagency collaboration projects.

HUD will also conduct the Radon Testing and Mitigation Resident Safety Demonstration, allocating $5 million for radon testing and mitigation in public housing units with radon levels at or above the Environmental Protection Agency's (EPA's) radon action level, in areas identified by the EPA or a state or local government as having high potential for elevated indoor radon levels.

KEY PERFORMANCE INDICATORS

To help achieve this priority, HUD has established the following performance indicator:

▶ **Number of at-risk housing units made healthy, physically safe, and lead-safe each year**
The number of housing units made healthy and lead-safe through HUD's Lead Hazard Control Grants, Healthy Homes Grants, Lead Disclosure Rule Enforcement, and Lead Safe Housing Rule Enforcement.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
15,607	13,076	10,106	8,900	*TBD[41]*

CAP GOALS, STRATEGIC GOALS, STRATEGIC OBJECTIVES AND APGs

HUD is currently in the process of developing new strategic goals, strategic objectives, and APGs to align with the strategic priorities highlighted in the FY22 Budget. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.

EVIDENCE
Energy Efficiency

Residential energy use accounts for roughly 20 percent of greenhouse gas emissions in the U.S., and the Nation cannot meet the Paris Agreement target of an 80 percent emissions reduction by 2050 without residential sector initiatives, including deep energy retrofits, transition to low-carbon energy sources, and reducing energy intensity.[42] The Department of Energy's retrospective evaluation of its Weatherization Assistance Program demonstrated the substantial net benefits of home weatherization as well as of healthy homes interventions. The program generated a savings-to-investment ratio of 1.4 and a benefit-cost ratio, including health and safety benefits, of 4.1.[43]

One of the best sources of data for utility reduction in public housing and HUD-assisted housing is PD&R's evaluation of the American Recovery and Reinvestment Act (ARRA) of 2009.[44] Of the approximately $13.6 billion in ARRA funds appropriated to HUD, about $4 billion was allocated to the Public Housing Capital Fund for the modernization and renovation of the Nation's public housing stock, and $250 million was allocated to establish the Green Retrofit Program for Multifamily Housing. The amount of electricity saved is sufficient to power about 29,000 average U.S. homes for one year. The water savings are sufficient to supply about 7,000 U.S. families for one year, and the carbon dioxide savings are equivalent to removing 37,400 vehicles from the road.

Healthy Homes

There is no safe level of blood lead and the prevalence of elevated blood lead in children under age 6 at or above the Centers for Disease Control and Prevention's (CDC's) blood lead reference value[45] persists

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[41] The FY22 Target is under internal review and will be established following the enacted FY22 appropriation.

[42] Goldstein, Benjamin, Dimitrios Gounaridis, and Joshua P. Newell. 2020. "The carbon footprint of household energy use in the United States." Proceedings of the National Academy of Sciences.117, 32. www.pnas.org/cgi/doi/10.1073/pnas.1922205117.

[43] https://www.energy.gov/eere/wap/about-weatherization-assistance-program/weatherization-National-evaluation.

[44] https://www.huduser.gov/portal/sites/default/files/pdf/Assessment-of-ARRA-Green.pdf.

[45] CDC. CDC Response to Advisory Committee on Childhood Lead Poisoning Prevention Recommendations in "Low Level Lead Exposure Harms Children: A Renewed Call of Primary Prevention". June 7, 2012. https://www.cdc.gov/nceh/lead/docs/cdc_response_lead_exposure_recs.pdf.

at significant levels. Elevated blood lead is associated with, among other effects, cardiovascular mortality in adults[46] and harmful outcomes for children related to education, behavior, and criminal justice involvement that are mitigated by early intervention.[47] CDC-HUD analysis of tenant data linked with health surveys shows that children ages 0–5 who lived in HUD-assisted housing in 2005–2012 had lower blood lead levels than expected given their demographic, socioeconomic, and family characteristics.[48]

Evaluations of HUD's Lead Hazard Control Grant Program showed significant reductions in concentrations of dust lead, the major pathway for U.S. children's lead exposure, for multi-year periods after intervention.[49,50] A 2015 survey of the practices and capabilities for achieving dust-lead clearance showed the feasibility of further strengthening the current dust-lead risk assessment and clearance standards,[51] informing EPA rulemaking in 2019 and 2020.[52] A variety of research grants and partnerships continue to improve the efficacy and cost-effectiveness of methods for evaluation and control of residential lead-based paint, other housing-related health and safety hazards, and site contamination hazards.

Another major public health challenge relating to housing is asthma. Triggered by residential dampness and mold, asthma costs the Nation about $16.8 billion annually.[53] Reducing household allergens, which contribute to or trigger asthma and allergies, results in a return of $5.30 to $16.50 for every $1 invested in mitigation and prevention.[54]

Resilience

Climate change has increased risk of natural disasters and threats to health and well-being. Changes in historical precipitation patterns account for an estimated one-third of cumulative flood damages over 1988 to 2017 at a cost of $73 billion and with climate models predicting continued intensification.[55] Sea level rise and coastal subsidence exacerbate coastal flooding risks from strengthening hurricanes.[56,57]

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[46] Brown L, et al. 2020. Developing a Health Impact Model for Adult Lead Exposure and Cardiovascular Disease Mortality. *Environmental Health Perspectives*, 128(9). https://ehp.niehs.nih.gov/doi/10.1289/EHP6552.

[47] Billings SB and Schnepel KT. 2018. Life after Lead: Effects of Early Interventions for Children Exposed to Lead. *American Economic Journal: Applied Economics*, 10(3): 315–344. https://doi.org/10.1257/app.20160056.

[48] Ahrens KA, Haley BA, Rossen LM, Lloyd PC, and Aoki Y. (2016). Housing assistance and blood lead levels in children in the United States, 2005–2012. *American Journal of Public Health*, 106(11):2049–2056. http://ajph.aphapublications.org/doi/10.2105/AJH.2016.303432.

[49] National Center for Healthy Housing and University of Cincinnati Department of Environmental Health. 2004. "Evaluation of the HUD Lead-Based Paint Hazard Control Grant Program: Final Report." HUD, Office of Lead Hazard Control and Healthy Homes. https://nchh.org/resource-library/report_evaluation-of-the-hud-lead-based-paint-hazard-control-grant-program_final-report.pdf.

[50] Wilson, Jonathan, Tim Pivetz, Peter Ashley, et al. 2006. "Evaluation of HUD-funded lead hazard control treatments at 6 years post-intervention." *Environmental Science.* https://doi.org/10.1016/j.envres.2006.04.007.

[51] Cox, David and Gary Dewalt. 2015. *Lead Hazard Control Clearance Survey: Final Report*. HUD, Office of Lead Hazard Control and Healthy Homes. https://www.hud.gov/sites/documents/ClearanceSurvey_24Oct15.pdf.

[52] EPA. Review of Dust-Lead Post-Abatement Clearance Levels. 85 Federal Register 37810-37819. June 24, 2020. https://www.federalregister.gov/d/2020-13582.

[53] Mudarri, DH. 2016. Valuing the Economic Costs of Allergic Rhinitis, Acute Bronchitis, and Asthma from Exposure to Indoor Dampness and Mold in the US. Journal of Environmental and Public Health. May 29, 2016. https://doi.org/ 10.1155/2016/2386596

[54] Nurmagambetov TA et al. Economic Value of Home-Based, Multi-Trigger, Multicomponent Interventions with an Environmental Focus for Reducing Asthma Morbidity: A Community Guide Systematic Review. American Journal of Preventive Medicine. 41(2S1): S33– S47. 2011. https://www.thecommunityguide.org/sites/default/files/publications/Asthma-AJPM-econ-homebased.pdf or www.ajpmonline.org/article/S0749-3797(11)00314-X/fulltext.

[55] Davenport, Frances V., Marshall Burke, and Noah S. Diffenbaugh. 2021. "Contribution of historical precipitation change to US flood damages." Proceedings of the National Academy of Sciences. 118, 4. https://doi.org/10.1073/pnas.2017524118

[56] Perkins, Sid. 2020. "Often driven by human activity, subsidence is a problem worldwide." *Proceedings of the National Academy of Sciences.*118, 20. https://www.pnas.org/content/118/20/e2107251118

[57] Emanuel, Kerry. 2020. "Evidence that hurricanes are getting stronger." *Proceedings of the National Academy of Sciences*. 117, 24. www.pnas.org/cgi/doi/10.1073/pnas.2007742117.

HUD has helped build the evidence base for designing effective future disaster response and resiliency efforts. The *Natural Hazard Mitigation Saves: 2019 Report,* funded by HUD, represents an exhaustive benefit-cost analysis of natural hazard mitigation, from adopting up-to-date building codes and exceeding codes, to addressing the retrofit of existing buildings and utility and transportation infrastructure.[58] The study found that natural hazard mitigation saves $6 on average for every $1 spent on Federal mitigation grants. In early 2021, HUD released a report on accelerating housing recovery after severe disasters, based on an examination of housing recovery activities funded by Community Development Block Grant – Disaster Recovery program (CDBG-DR) during 2005 to 2015.[59] Going forward, PD&R is funding research that will create and test models for optimizing disaster recovery labor and supply chains to expedite housing recovery of the most vulnerable populations. The CDBG-DR resilience cost-effectiveness and implementation studies, another ongoing PD&R research effort, have the potential to help communities save public resources, modernize infrastructure, and improve access to opportunity for vulnerable populations through cost-benefit analyses and best practice guidebooks directed to states and communities recovering from flood-related natural disasters. Through a research partnership with the National Institute of Standards and Technology (NIST), resilience planning case studies will produce best practice guidance using climate projection data as part of community planning. Results from these studies are expected in 2022 and 2023. Finally, PD&R is working to acquire proprietary hazard risk data on flood and wildfire threats that can be used to assess the risk exposure of HUD assets and HUD-assisted populations and to inform policy and programmatic decision-making.

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[58] Available at https://www.nibs.org/projects/natural-hazard-mitigation-saves-2019-report.
[59] Housing Recovery and CDBG-DR: A Review of the Timing and Factors Associated with Housing Activities in HUD's Community Development Block Grant for Disaster Recovery Program (2021). https://www.huduser.gov/portal/publications/HousingRecovery-CDBG-DR.html.

Priority 5: Strengthen HUD's internal institutional capacity to deliver on mission.

> Improve HUD's internal operations so that the Department can more effectively meet communities' housing needs.

LEADING THIS PRIORITY
Program Offices Office of the Assistant Secretary for Administration Office of the Chief Financial Officer Office of the Chief Information Officer

OVERVIEW

HUD is working to strengthen its internal institutional capacity to deliver on the Department's mission of creating strong, sustainable, inclusive communities and quality affordable homes for all. Specifically, initiatives proposed in the FY22 Budget request seeks to ensure execution and success of HUD's expanded mission through improvements in operations related to people, processes and technology. HUD will strategically invest in hiring, training and retaining a competent workforce; transforming financial management and improving internal controls; modernizing HUD's information technology (IT) infrastructure to help streamline the Department's processes; and improving HUD's customer experience.

INITIATIVES

Invest in Human Capital

The Office of the Chief Human Capital Officer (OCHCO) is focused on slowing HUD's attrition rate and improving hiring. Fiscal Year 2020 was the first year HUD hired just over 1,000 external employees in a fiscal year in nearly a decade. Although HUD did not reduce the time to hire, HUD exceeded the 1,500 personnel hiring goal for FY20 ending with 1,630 Entrance on Duties (EOD) from internal and external sources completed in FY20. Building upon this progress, HUD expects to achieve further hiring gains through streamlined hiring processes that should be realized in FY22. In FY22, HUD will prioritize increases to staffing that will allow the Department to more efficiently serve households and communities across the country. HUD will also prioritize workforce retention through increasing employee engagement; establishing succession planning strategies; offering additional opportunities and trainings to promote employee growth; and offering additional workplace flexibilities such as expanded telework.

Financial Transformation

HUD will continue transform financial resource management by re-engineering business processes and improving internal controls that impact financial reporting. To ensure the Department can maintain a clean audit opinion, HUD will continue to improve internal controls, cash management, and cost accounting activities. HUD will also prioritize strengthening the Department's enterprise and fraud risk management; improving the budget processes through the development of a budget formulation system; and continuing to explore ways to increase operational efficiency and transparency by collaborating with OCIO on Robotic Process Automation (RPA).

Modernizing Information Technology

In FY22, HUD plans to continue IT modernization efforts and support an expanded cybersecurity program. Continuing investment initiatives such as the FHA Catalyst initiative, the modernization efforts of the Office of Public and Indian Housing (PIH), and Ginnie Mae's NextGen re-build of its mortgage-backed securitization (MBS) platform will provide the Department with enhanced capabilities to strengthen and modernize mission programs and enterprise support functions.

HUD OCIO will continue to modernize the Department's outdated housing IT systems by focusing on the implementation of an enterprise-wide solution for the Office of Housing/FHA and PIH. The goal is to improve the quality and efficiency of HUD's housing data. The move to an enterprise-wide solution will allow program offices to better collaborate across silos, make better housing decisions, and use accurate data.

HUD is continuing to enhance cybersecurity capabilities by establishing a 24/7 Security Operations Center/Computer Incident Response Team, implementing an Information Security Continuous Monitoring (ISCM) and Ongoing Authorization program, conducting table top and phishing exercises, establishing Supply Chain Risk Management governance and management strategy and processes, leveraging innovative security technologies and processes, and providing general and specialized cybersecurity training and awareness.

Additionally, HUD will continue to expand on its Robotic Process Automation (RPA) and Artificial Intelligence (AI) initiatives to streamline HUD's operational processes, many of which are still manual and paper-based. The use of RPA and AI will allow HUD to make stronger data-driven decisions and shift the Department's resources towards more high-value work. As of today, HUD OCIO currently has 10 automation projects in production that are increasing process efficiencies for the Office of the Chief Financial Officer, Office of the Chief Procurement Officer (OCPO), and Office of Housing. These automation projects have saved a combined total of 3,500 hours since the inception of the project.

Ginnie Mae's NextGen initiative will build on its in-process cloud migration project to re-design the MBS securitization platform to ensure that it takes advantage of technological developments and delivers maximum value to program stakeholders.

Improve Customer Experience

Recent research shows that HUD has a 78% negative sentiment with the public. Furthermore, the 2019 American Customer Service Index (ASCI) found that HUD ranked 12th out of 12 cabinet-level departments in terms of customer satisfaction.[60] To increase transparency and collaboration, HUD will launch a Department-wide customer experience initiative and listening practice. This initiative will improve the usability and reliability of HUD's most critical services. It will also increase communication and accessibility between HUD and the public it serves.

KEY PERFORMANCE INDICATORS

To help achieve this priority, HUD has established the following performance indicators:

▶ **Reduce the percentage of Office of the Inspector General (OIG) open recommendations**[61]
This measure will track the reduction in the percentage of OIG open recommendations that the OIG issued in previous audits.

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[60] https://www.theacsi.org/images/stories/images/reports/20jan_gov-report-2019.pdf.
[61] Data tracked for this metric reflects a percentage reduction in open recommendations to better account for HUD's efforts due to the unpredictable variance in annual amounts of recommendations provided by the OIG each year.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Closure Target	FY22 Closure Target
36%	34%	39%	35%	35%

▶ **Decommission Legacy Financial Systems**

This measure will track the modernization, consolidation, and then decommission of HUD's separate financial systems into one central structure.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
1	1	3	1	0[62]

▶ **Average Time-to-Hire (Office of Personnel Management [OPM] model)**

This measure will track the average number of days it takes from validation of hiring need to tentative offer. HUD will analyze current and historical data for the Department to inform talent management strategies and decisions regarding the workforce.

FY18[63] Actual	FY19[64] Actual	FY20[65] Actual	FY21 Target	FY22 Target
72 days	95 days	97 days	85 days	75 days

▶ **Number of Enterprise IT Solutions Implemented**

This measure will track the number of enterprise-wide IT solutions that are implemented to streamline manual or cumbersome processes.

FY18 Actual	FY19 Actual	FY20 Actual	FY21 Target	FY22 Target
3	3	8	1[66]	1[67]

CAP GOALS, STRATEGIC GOALS, STRATEGIC OBJECTIVES AND APGs

HUD is currently in the process of developing new strategic goals, strategic objectives, and APGs to align with the strategic priorities highlighted in the FY22 Budget. Alignment to Cross-Agency Priority Goals will be defined once the President's Management Agenda is published.

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[62] There is one remaining legacy system that has not been decommissioned. The plan is to decommission the system in FY21, closing out all legacy systems in FY22.
[63] For FY18-FY20 all time-to-hire data was revised to reflect the changes OPM made regarding the time to hire key performance indicator. The reporting now compares all fiscal years using the same metric.
[64] FY19 time-to-hire data excludes the time lapse in appropriations and furlough created by the Federal Government shutdown.
[65] FY20 time-to-hire data excludes time in security and time to onboard. In addition to the referenced increase in recruitment and hiring activity that was planned for FY20, the additional requirements to hire per the CARES Act hindered the Department's achievement of the FY20 target of 93 days.
[66] The number of enterprise IT solutions implementations have been reduced for FY21 due to resources and funding availability.
[67] The number of enterprise IT solutions implementations have been reduced for FY22 due to resources and funding availability.

EVIDENCE

Human Capital

Employee satisfaction surveys are a core tool for tracking employee outcomes and improving and monitoring progress on workforce changes pursued in this objective. HUD participates in the annual, government-wide Federal Employee Viewpoint Surveys (FEVS).[68] The Government Accountability Office (GAO) also conducts the Survey of Organizational Performance and Management Issues among Federal managers.[69] Performance management practices reported by HUD managers for the GAO survey exceed the Federal average for many of the questions in the GAO survey. [70]

Financial Transformation and IT Modernization

OIG-identified material weaknesses are assessed annually and documented in HUD's Agency Financial Report, along with HUD's reporting on the closure of open OIG audit recommendations that reduce material weaknesses or significant deficiencies.[71] Progress and strategies to manage financial risks are also a central component of FHA's Annual Financial Reports.

Recent reports by GAO have highlighted opportunities for Chief Information Officers (CIOs) to improve information technology acquisitions and operations,[72] and for HUD, noted that cost estimating practice needs to be strengthened.[73] This evidence is used in the formulation and ongoing management of HUD's IT modernization.

Customer Experience

The 2019 ACSI found that HUD ranked 14 points below the mean government score of 68.1.[74] ACSI estimates of customer satisfaction are generated by econometric modeling of survey data, where expectations and perceptions of the quality of government services are used as inputs and complaints and citizen trust in government are used as outputs. Evidence-building will be supported in HUD's Customer Experience Initiative through the Voice of the Customer (VoC) Tool.[75]

HUD has a history of using partner satisfaction surveys[76] to measure service delivery outcomes for partner groups such as housing providers, cities, lenders, and grantees. This research showed that levels of satisfaction among partner groups are correlated with the extent to which they perceived HUD as primarily a regulator or primarily assisting. HUD also has measured satisfaction of final customers

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[68] For the FEVS, see https://www.opm.gov/policy-data-oversight/data-analysis-documentation/employee-surveys/.

[69] The 2017 Survey of Organizational Performance and Management Issues survey results for HUD are found at https://files.gao.gov/special.pubs/gao-17-776sp/resultshud.htm.

[70] GAO. 2018. "Managing for Results: Government-wide Actions Needed to Improve Agencies' Use of Performance Information in Decision Making." GAO-18-609SP. https://www.gao.gov/assets/gao-18-609sp.pdf. See pp.55–56.

[71] HUD's Agency Financial Reports are available at https://portal.hud.gov/hudportal/HUD?src=/program_offices/cfo/reports/cforept.

[72] "Opportunities for Improving Acquisitions and Operations" (2017), https://www.gao.gov/products/GAO-17-251SP, "Further Implementation of Recommendations Is Needed to Better Manage Acquisitions and Operations" (2018), https://www.gao.gov/products/GAO-18-460T.

[73] "Information Technology: HUD Needs to Address Significant Weaknesses in Its Cost Estimating Practices" (2017), https://www.gao.gov/products/GAO-17-281.

[74] American Customer Satisfaction Index. 2020. "ACSI Federal Government Report 2019." https://www.theacsi.org/images/stories/images/reports/20jan_gov-report-2019.pdf.

[75] HUD. 2020. *HUD Research Roadmap: 2020 Update.* https://www.huduser.gov/PORTAL/sites/default/files/pdf/Research-Roadmap-2020.pdf. See p.58.

[76] See "Partner Satisfaction With HUD's Performance: 2010 Survey Results and Trends Since 2005," https://www.huduser.gov/portal/publications/polleg/partnersatis_2011.html; "Partner Satisfaction with HUD's Performance" (2006), https://www.huduser.gov/portal/publications/polleg/partnersatis.html "How's HUD Doing: Agency Performance as Judged by Its Partners" (2001), https://www.huduser.gov/portal/publications/polleg/hows_hud.html; and indicator E.16 in HUD FY 2008 Performance and Accountability Report.

(assisted renters) through surveys by HUD's Real Estate Assessment Center (Resident Assessment Subsystem, during 2000–2003),[77] and PD&R surveys of voucher households.[78]

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[77] See for example indicators 1.2.4.5 and 5.1.3 of HUD FY 2001 Annual Performance Report.

[78] Unpublished report by Gray et al., 2008, "Tell Us About Your Home: Three Years of Surveying Housing Quality and Satisfaction in the Section 8 Housing Choice Voucher Program," HUD-PD&R.

Cross-Agency Priority Goals

Established by the GPRA Modernization Act of 2010, Cross-Agency Priority (CAP) Goals are a tool used by the Administration to accelerate progress on a limited number of Presidential priority areas where implementation requires active collaboration between multiple agencies, overcoming organizational barriers to achieve better performance than one agency can achieve on its own.

Set or revised at least every four years, CAP Goals include outcome-oriented goals that cover a limited number of crosscutting policy areas as well as management goals focused on management improvements across the Federal Government in areas of financial management, strategic human capital management, information technology management, procurement and acquisition management, and real property management. A series of Administration-wide CAP Goals will be determined during FY22. Each goal will feature: clearly named accountable officials; data-driven reviews that incorporate a broad range of quantitative and qualitative inputs; and reporting to the public through a common website as a framework to drive performance improvements on cross-government collaboration and tackle government-wide management challenges affecting most agencies.

Please refer to https://www.performance.gov/ for the Department's contributions and progress towards the CAP Goals, where applicable.

Section Three: Additional Information

Major Management Priorities and Challenges

Major management priorities and challenges are addressed in *Priority 5, Strengthen HUD's internal institutional capacity to deliver on mission.* Please see HUD's initiatives *(Invest in Human Capital, Financial Transformation, Modernizing Information Technology, and Improve Customer Experience)* for information on the management priorities and challenges HUD will be pursuing to *Improve HUD's internal operations so that the Department can more effectively meet communities housing needs.*

Acronym List

Acronym	Definition	Acronym	Definition
ACSI	**American Customer Service Index**	FHAP	Fair Housing Assistance Program
AI	Artificial Intelligence	FHEO	Office of Fair Housing and Equal Opportunity
APG	Agency Priority Goal	FHFA	Federal Housing Finance Agency
APP	Annual Performance Plan	FHIP	Fair Housing Initiatives Program
APR	Annual Performance Report	FSS	Family Self-Sufficiency
ARCATS	Audit Resolution Corrective Action Tracking System	FY	Fiscal Year
ARP	American Rescue Plan Act	GAO	United States Government Accountability Office
ARRA	American Recovery and Reinvestment Act	Ginnie Mae	Government National Mortgage Association
BFS	Bureau of the Fiscal Service	GNND	Good Neighbor Next Door Program
CAP	Cross-Agency Priority	GPRA	Government Performance and Results Act
CARES	Coronavirus Aid, Relief, and Economic Security Act	HAG	Homeless Assistance Grants
CDBG	Community Development Block Grant	HDX	Homelessness Data Exchange
CDBG-DR	Community Development Block Grant – Disaster Recovery	HCV	Housing Choice Vouchers
CDC	Centers for Disease Control and Prevention	HEAL	Home Equity Accelerator Loan Program
CIO	Chief Information Officer	HEMS	HUD Enforcement Management System
CoC	Continuum of Care	HFA	Housing Finance Agency
CPD	Office of Community Planning and Development	HHCRT	HUD CARES Act Compliance and Response Team
EOD	Entrance on Duties	HHS	United States Department of Health and Human Services
EPA	Environmental Protection Agency	HMIS	Homeless Management Information Systems
FDM	Financial Data Mart	HOME	HOME Investment Partnerships Program
FEVS	Federal Employee Viewpoint Survey	HOME-ARP	HOME Investment Partnerships Program-American Rescue Plan
FFB	Federal Financing Bank	FHFA	Federal Housing Finance Agency
FHA	Federal Housing Administration	HOPWA	Housing Opportunities for Persons With AIDS

Acronym	Definition	Acronym	Definition
HUD	United States Department of Housing and Urban Development	PAC	Project Assistance Contract
HUDCAPS	HUD Central Accounting and Program System	PAS	Program Accounting System
IDIS	Integrated Disbursement and Information System	PBRA	Project-Based Rental Assistance
IHBG	Indian Housing Block Grant	PD&R	Office of Policy Development and Research
ISCM	Information Security Continuous Monitoring	PHA	Public Housing Agency
IT	Information Technology	PIH	Office of Public and Indian Housing
JPI	Jobs Plus Initiative	PIT	Point-in-Time
LEPI	Limited English Proficiency Initiative	PRAC	Project Rental Assistance Contract
LGBTQ+	Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ+)	PSH	Permanent Supportive Housing
LOCCS	Line of Credit Control System	RAD	Rental Assistance Demonstration
LMMI	Low- to Moderate and Middle-Income	ROSS	Resident Opportunity and Self-Sufficiency
LSHR	Lead Safe Housing Rule	RPA	Robotic Process Automation
MMIF	Mutual Mortgage Insurance Fund	RRH	Rapid Re-Housing
MTW	Moving to Work	SFH	Single Family Housing
OCHCO	Office of the Chief Human Capital Officer	SPRAC	Senior Preservation Rental Assistance Contract
OCIO	Office of the Chief Information Officer	SSP	Shared Service Provider
OCPO	Office of the Chief Procurement Officer	TBRA	Tenant-Based Rental Assistance
OIG	Office of Inspector General	TDHE	Tribally Designated Housing Entities
OLHCHH	Office of Lead Hazard Control and Healthy Homes	VoC	Voice of the Customer
OMB	Office of Management and Budget		

Data Sources, Limitations and Advantages, and Validation

This section lists the following information for each metric in the APP:

- **Description**
- **Data source**
- **Unit of measurement**
- **Dimension**
- **Calculation method**
- **Frequency**
- **Direction**
- **Data quality (limitations/advantages of the data)**
- **Validation, verification, and improvement of measure**

Priority 1: Strengthen and broaden the Federal housing safety net for people in need.

Number of families served through HUD rental assistance
- **Description:** This measure will track the number of rental units occupied by HUD-assisted households.
- **Data source:** Multiple
- **Unit of measurement:** Number of occupied units per program
- **Dimension:** Count
- **Calculation method:** Total count of units supported by rental assistance programs serving households (each household occupies one unit)
- **Frequency:** Varied, see below
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** See sub-metrics below.
- **Validation, verification, and improvement of measure:** See sub-metrics below.

Public and Indian Housing

Tenant-Based Rental Assistance (TBRA)/ Housing Choice Vouchers (HCV)
- **Description:** This indicator tracks the number of utilized vouchers within PIH's HCV program, including tenant-based and project-based vouchers. This data is reported 70 days after the end of the quarter due to data validation processes.
- **Data source:** Voucher Management System (VMS)
- **Unit of measurement:** Number of utilized TBRA vouchers
- **Dimension:** Count
- **Calculation method:** The number of leased vouchers entered into PIH's Voucher Management System (VMS).
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** VMS captures information related to the leasing and Housing Assistance Payment (HAP) expenses for the HCV program. Public housing agencies (PHAs) enter the information, which is therefore subject to human (data-entry) error. The Department, however, has instituted "hard edits" for entries in the system.
- **Validation, verification, and improvement of measure:** The HCV program uses four other means to ensure the accuracy of the data:
  1. HUD has developed a voucher utilization projection tool, which will enable the Department and public housing agencies to forecast voucher utilization and better manage the Voucher program.
  2. The Housing Choice Voucher Financial Management Division performs data-validation checks of the VMS data after the monthly database has been submitted to HUD Headquarters for management reporting purposes.
  3. Data that appear to be inconsistent with prior months' data are resolved with the public housing agency.
  4. Corrections are entered directly into the VMS System to ensure that the data are accurate.

Public Housing
- **Description:** This indicator tracks the number of occupied rental units within PIH's Public Housing (PH) program.
- **Data source:** Inventory Management System/ Public and Indian Housing Information Center (IMS/PIC)
- **Unit of measurement:** PH rental units under an Annual Contribution Contract (ACC)

- **Dimension:** Count
- **Calculation method:** The number of occupied PH rental units includes only units that are identified as being under an ACC with HUD. PH units are assigned a unit category and status to note the nature of use within the program. The number of occupied PH rental units is the number of units with the following statuses: "occupied by assisted tenants", "occupied by non-assisted tenants", and "special use".
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** Public housing agencies (PHAs) self-report inventory and occupancy data in IMS/PIC using Form HUD 50058. Changes to unit use categories are approved by local HUD field offices. This data is used to calculate Capital Fund and Operating Fund grants. PHAs annually certify the accuracy of public housing building and unit counts within IMS/PIC system.
- **Validation, verification, and improvement of measure:** Through the annual Capital Fund certification process, errors in physical inventory information are identified in IMS/PIC. PHAs are required to correct errors before certifying the accuracy of the data for each development. When a PHA encounters errors that the PHA staff or HUD field office staff cannot correct, the PHA is required to inform the Real Estate Assessment Center Technical Assistance Center help desk and to enter the help desk ticket number and a comment in their certification. The IMS/PIC system unit status data benefited from a major evaluation in 2011. In addition to recent technical efforts to correct system-driven data anomalies, PIH is developing additional tools to further enhance the ability of PHAs and field offices to ensure that the PIC unit status data is accurate.

PIH Moderate Rehabilitation

- **Description:** The Moderate Rehabilitation program provides project-based rental assistance for low-income families. The program was repealed in 1991 and no new projects are authorized for development. Assistance is limited to properties previously rehabilitated pursuant to a housing assistance payments (HAP) contract between an owner and a public housing agency (PHA).
- **Data source:** Each year, PHAs provide data to the PIH field offices, including which Moderate Rehabilitation contracts will be renewed. The field offices calculate renewal rents and forward all data to the Financial Management Center, which confirms the data and calculates and requests total required renewal and replacement funding.
- **Unit of measurement:** Number of occupied units
- **Dimension:** Count
- **Calculation method:** Count
- **Frequency:** Annual
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** Timeliness and validity of data are dependent on multiple entities, including the Moderate Rehabilitation project owners, PIH field offices, and the Financial Management Center. Data is manually entered and validated.
- **Validation, verification, and improvement of measure:** The Financial Management Center reviews the data provided by the field offices and follows-up on incorrect or suspect data before submitting funding requests. A Financial Management Center division director or team leader must approve funding obligation and disbursement based on the number of occupied units. The Office of Housing Voucher Programs is currently working to develop a more streamlined and automated process to verify and improve the validations.

Office of Native American Programs (ONAP)

- **Description:** This indicator tracks the additional number of rental units built using funds administered by PIH's Office of Native American Programs (ONAP).
- **Data source:** ONAP Access databases
- **Unit of measurement:** Number of units
- **Dimension:** Count
- **Calculation method:** HUD aggregates the number of ONAP rental units based on each grantee's annual report of the number of affordable units built or acquired using Indian Housing Block Grant Funds.
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** As the data are self-reported, the data are subject to human (data-entry) error. However, ONAP has instituted "hard edits" for entries in the system.
- **Validation, verification, and improvement of measure:** The data are continually reviewed by HUD. When inaccurate data are discovered or suspected, program specialist's follow-up with grantees to resolve.

Housing

Section 8 Project-Based Rental Assistance (PBRA) units

- **Description:** This sub-metric tracks the number of families receiving rental assistance through the PBRA program.
- **Data source:** Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Households receiving rental assistance through the PBRA program
- **Dimension:** Count
- **Calculation method:** Number of units receiving rental assistance through the PBRA program (there is one household per unit)
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** TRACS has more than 6,000 business rules to ensure data validation. Data fields are required for property and project management purposes. These systems serve two primary customers: HUD staff and business partners called performance-based contract administrators.
- **Validation, verification, and improvement of measure:** The system business rules and operating procedures are defined in HUD Occupancy Handbook 4350.3, HUD's IT system security protocols; and financial requirements established in the Office of Management and Budget's Circular A-127. Often referenced as validation rules, these business rules check for data accuracy, meaningfulness, and security of access logic and controls. TRACS' primary data element is the HUD 50059 tenant certification, which originates from owner/agents, performance-based contract administrators, and traditional contract administrators. HUD's 50059 transmissions are processed via secure system access and a predetermined system script. Invalid data are identified by an error code and are returned to the sender with a descriptive message and procedures to correct the error. This electronic process approximates that of the paper Form HUD 50059. TRACS edits every field, according to the HUD rental assistance program policies.

Units subsidized by other Multifamily programs (202, 236 and 221(d)(3) BMIR)
- **Description:** Number of units covered by old Section 202 direct loans, insured under Section 236, receiving interest reduction payments (IRP), or insured under Section 223(d)(3) BMIR.
- **Data source:** Multifamily Portfolio Reporting Database (MPRD) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Number of units subsidized by the old Section 202, 236, IRP, and BMIR programs
- **Dimension:** Count
- **Calculation method:** Count
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** Although these units are assumed to be occupied, there is no assurance that this assumption is correct.
- **Validation, verification, and improvement of measure:** The number of units per project in the MPRD comes from iREMS and has been validated multiple times by project managers in field asset management against source documents.

Project Rental Assistance Contracts in the Section 202 Housing for the Elderly and Section 811 Housing for Persons with Disabilities programs (202/811 PRAC)
- **Description:** Number of households receiving rental assistance through a 202/811 PRAC.
- **Data source:** Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Number of households receiving rental assistance through a 202/811 PRAC
- **Dimension:** Count
- **Calculation method:** Number of units receiving assistance through a 202/811 PRAC
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** TRACS has more than 6,000 business rules to ensure data validation. Data fields are required for property and project management purposes.
- **Validation, verification, and improvement of measure:** The system business rules and operating procedures are defined in HUD Occupancy Handbook 4350.3; HUD's IT system security protocols; and financial requirements established in the Office of Management and Budget's Circular A-127. Often referenced as validation rules, these business rules check for data accuracy, meaningfulness, and security of access logic and controls. TRACS' primary data element is the HUD 50059 tenant certification, which originates from owner/agents. HUD's 50059 transmissions are processed via secure system access and a predetermined system script. Invalid data are identified by an error code and are returned to the sender with a descriptive message and procedures to correct the error. This electronic process approximates that of the paper Form HUD 50059. TRACS edits every field, according to the HUD rental assistance program policies.

Low-Income Housing Tax Credit (LIHTC)/Insured Tax-Exempt (TE)
- **Description:** Number of units covered by commitments related to the use of new or existing low-income housing tax credits (LIHTC) tax-exempt bond financing as part of the FHA transaction. The LIHTC program is an indirect Federal subsidy used to finance the development of affordable rental housing for low-income households.

- **Data source:** Office of Housing Development Management Action Plan goals SharePoint site
- **Unit of measurement:** Number of units
- **Dimension:** Count
- **Calculation method:** Number of units covered by commitments related to the use of new or existing low-income housing tax credits (LIHTC) tax-exempt bond financing as part of the FHA transaction
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** Complete new LIHTC/TE units are posted on the SharePoint site based on data provided by the HUD Project Managers who have worked on these projects.
- **Validation, verification, and improvement of measure:** HUD field staff provide the data, which is reviewed and verified by Multifamily Hub and Headquarters staff.

Mortgage Insurance for Residential Care Facilities (Section 232)
- **Description:** Affordable assisted living facility units for Medicaid-eligible tenants preserved by Section 232 endorsements within a fiscal year.
- **Data source:** Development Application Processing System (DAP); SharePoint
- **Unit of measurement:** Number of Medicaid-eligible assisted living facility units preserved
- **Dimension:** Count
- **Calculation method:** To estimate the number of Medicaid-supported affordable assisted living facility residential units endorsed under Section 232 in a fiscal year, the total national Medicaid percentage is applied as a multiplier to the total volume of Section 232 assisted living facility units endorsed. The national Medicaid percentage table is a component of CMS' (Centers for Medicare & Medicaid Services) National Health Expenditure data set that calculates the national percentage of Medicaid spending within the United States each year.
- **Frequency:** Quarterly
- **Direction:** N/A – Tracking Only
- **Data quality (limitations/advantages of the data):** The Medicaid percentage utilized for this calculation is based upon best-available independent analysis conducted on national data.
- **Validation, verification, and improvement of measure:** The Office of Residential Care Facilities monitors and verifies actual data quarterly.

Length of homelessness
- **Description:** Average length of time persons experience homelessness. At this time, only persons experiencing sheltered homelessness are included in this measure; future data submissions will include persons experiencing unsheltered homelessness as well.
- **Data source:** Data collected in each Continuum of Care's (CoC's) Homeless Management Information Systems (HMIS). Data is reported as "System Performance Measures" into the Homelessness Data Exchange (HDX).
- **Unit of measurement:** Days
- **Dimension:** Weighted Rate
- **Calculation method:** Each CoC is required to collect data and report to HUD annually on specific system performance measures. These measures are based on a set of programming specifications HUD provided to communities to ensure consistency: https://www.hudexchange.info/resource/4483/system-performance-measures-tools/.
- **Frequency:** Annually
- **Direction:** Decrease
- **Data quality (limitations/advantages of the data):** Data is relatively comprehensive as CoCs must report data regardless of funding source. The data is limited by how many projects report their data in Homeless Management Information System (HMIS) and how accurate their data quality is. HUD requires each CoC to track null and missing value information as well as other data quality concerns. The rates of data quality issues per each response element that impacts the system performance measures is submitted to HUD at the time that the measures are submitted. HUD reviews this and includes the data quality piece in its larger evaluation of the system performance measures.
- **Validation, verification, and improvement of measure:** HUD includes the system performance measures in its annual CoC Program Competition, along with data quality and HMIS bed coverage information. This creates incentives to have accurate data as well as to show improved outcomes. HUD will continue to include this as a scoring factor and will incorporate it into more reporting requirements. HUD will provide more resources to improve data quality. HUD provided programming specifications to ensure consistency and will provide more resources to help CoCs test the accuracy of their systems to pull the data.

Number of people experiencing homelessness
- **Description:** Total number of people experiencing homelessness based on a count that occurs on a single night, usually in January.
- **Data source:** Point-in-Time (PIT) count reported in the Homelessness Data Exchange (HDX)

- **Unit of measurement:** Homeless persons on a single night, usually in January
- **Dimension:** Count
- **Calculation method:** A count of homeless persons on a single night, usually in January
- **Frequency:** Although many jurisdictions count annually, 24 CFR 578.7(c)(2) only requires that the counts be done "biennially."
- **Direction:** Decrease
- **Data quality (limitations/advantages of the data):** HUD establishes PIT count guidance annually that states the minimum amount of data that all Continuums of Care (CoCs) must collect and report to HUD. There are additional reporting tools that provide guidance on HUD's reporting requirements and standards.
- **Validation, verification, and improvement of measure:** When CoCs submit their data in the HDX, there are also several validations in HDX itself to ensure consistency in reporting. After the data are submitted, HUD's contractors analyze the data again and call communities if there are further discrepancies that need to be explained or corrected.

Priority 2: Advance housing equity as a means to improving housing choices and greater economic opportunity.

Number of cases referred by Fair Housing Initiatives Program (FHIP) organizations

Cases referred by FHIP organizations
- **Description:** This measure will track the number of cases completed each year that were referred by FHIP organizations to HUD or a FHAP partner.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** All cases investigated by HUD and by FHAP agencies as part of the FHAP program are entered into HEMS, which tracks multiple aspects of the case and the investigation. One of these aspects is whether a given case was referred by a FHIP organization. This measures when the investigation is substantially completed, and the matter has been closed, conciliated, or referred onward for adjudication.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. HUD cases are reviewed by a supervisor and depending on the resolution may also be reviewed by HUD counsel.

Cases that resulted in a recommendation of a legal charge
- **Description:** This measure will track the number of cases that resulted in a recommendation of a legal charge each year that were referred by FHIP organizations to HUD or a FHAP partner.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** All cases investigated by HUD and by FHAP agencies as part of the FHAP program are entered into HEMS, which tracks multiple aspects of the case and the investigation. One of these aspects is whether a given case was referred by a FHIP organization. This measures when the investigation is substantially completed, and the matter has been referred onward for adjudication.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. HUD cases are reviewed by a supervisor and depending on the resolution, may also be reviewed by HUD counsel.

Cases that resulted in conciliation of case
- **Description:** This measure will track the number of cases that resulted in a conciliation of the case each year that were referred by FHIP organizations to HUD or a FHAP partner.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS
- **Frequency:** Annually
- **Direction:** Increase

- **Data quality (limitations/advantages of the data):** All cases investigated by HUD and by FHAP agencies as part of the FHAP program are entered into HEMS, which tracks multiple aspects of the case and the investigation. One of these aspects is whether a given case was referred by a FHIP organization. This measures when the investigation is substantially completed, and the matter has been conciliated between the parties to the complaint.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. HUD cases are reviewed by a supervisor and depending on the resolution may also be reviewed by HUD counsel.

Number of cases Fair Housing Assistance Program (FHAP) agencies processed

Cases of cases FHAP agencies processed
- **Description:** This measure computes the number of cases processed by FHAP agencies each year.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS.
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** FHIP organizations are required to refer substantial complaints of fair housing violations to HUD or FHAP agencies. All cases investigated by FHAP agencies as part of the FHAP program must be entered into HEMS, which tracks multiple aspects of the case and the investigation. This measures when the investigation by the agency is substantially completed, and the matter has been closed, conciliated, or referred onward for adjudication.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. This review verifies key elements of the case investigation.

Cases that resulted in a recommendation of a legal charge
- **Description:** This measure computes the number of cases processed by FHAP agencies each year that result in a recommendation of a legal charge.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS.
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** All cases investigated by FHAP agencies as part of the FHAP program must be entered into HEMS, which tracks multiple aspects of the case and the investigation. This measures when the investigation by the agency has been referred for adjudication.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. This review verifies key elements of the case investigation including whether the case has been referred for adjudication.

Cases that resulted in conciliation of case
- **Description:** This measure computes the number of cases processed by FHAP agencies each year that result a conciliation of the case.
- **Data source:** HUD Enforcement Management System (HEMS)
- **Unit of measurement:** Number of cases
- **Dimension:** Count
- **Calculation method:** Relevant cases tallied from the data captured in HEMS.
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** All cases investigated by FHAP agencies as part of the FHAP program must be entered into HEMS, which tracks multiple aspects of the case and the investigation. This measures when the investigation by the agency has resulted in a conciliation of the complaint between the parties to the investigation.
- **Validation, verification, and improvement of measure:** All FHAP cases entered into HEMS are reviewed by HUD grants monitors as part of the reimbursement process. This review verifies key elements of the case investigation, including the resolution of the investigation.

Number of Limited English Proficiency Initiative (LEPI) services provided
- **Description:** This measure will track the number of instances of documents translated into other languages and the number of instances of foreign language interpretation provided in support of HUD programs.
- **Data Source:** Contractor monthly and annual reports
- **Unit of measurement:** Number of document translations or instances of interpretation provided as part of the contract service
- **Dimension:** Count

- **Calculation Method:** Count of each instance of document translation and each instance of interpretation service rendered.
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Internal requests for document translation are entered through an internal HUD portal, and then passed onto the contractor once approved. Requests for verbal interpretation are made via a request phone number, which connects directly to the contractor.
- **Validation, verification, and improvement of measure:** HUD LEPI Portal data on requests is compared to reports received from translation contractor on number of translations performed. The number of interpretation services rendered is reported directly by the contractor.

Number of FHIP and FHAP fair housing practitioners who attend National Fair Housing Training Academy (NFHTA) courses
- **Description:** This metric will track the number of practitioners who attend training activities, which include five different courses on building knowledge and skills on fair housing.
- **Data Source:** NFHTA Learning Management System
- **Unit of measurement:** Number of fair housing practitioners who attend training
- **Dimension:** Count
- **Calculation Method:** Count of relevant participants who receive a course completion certificate
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Data on course participants is tracked in a Learning Management System. This system tracks the learning history of each student at the Academy, including enrollment and course completion data.
- **Validation, verification, and improvement of measure:** Relevant course participants receive HUD authorization to attend, are tracked during course delivery, and then are counted based on issuance of completion certificate.

Number of households served through the Eviction Protection Grant
- **Description:** This measure will track the cumulative number of households subject to or at risk of eviction that receive eviction protection services through the grant program, as reported by grantees.
- **Data Source:** Administrative data from grantee performance reports
- **Unit of measurement:** Number of households subject to or at risk or eviction
- **Dimension:** Count
- **Calculation Method:** Summation
- **Frequency:** Annual
- **Direction:** N/A - Tracking Only
- **Data quality (limitations/advantages of the data):** Criteria for households subject to or at risk of eviction may vary across grantees depending on their program priorities. Count data are not subject to sampling error.
- **Validation, verification, and improvement of measure:** Administrative data are validated by comparison with external data sources.

Priority 3: Increase the production of and access to affordable housing.

Percentage of new FHA-insured purchase mortgages that are first-time homebuyers
- **Description:** This measure computes the percentage of FHA single-family purchase originations for which the borrower is a first-time homebuyer.
- **Data source:** Single-Family Data Warehouse and American Housing Survey
- **Unit of measurement:** Share of FHA originations that belong to first-time homebuyers
- **Dimension:** Percentage
- **Calculation method:** Percentage of FHA originations made to first-time homebuyers.
- **Frequency:** Quarterly
- **Direction:** N/A - Tracking Only
- **Data quality (limitations/advantages of the data):** HUD will rely on data from the Single-Family Data Warehouse, which tracks the number of FHA loans to first-time homebuyers on a quarterly basis.
- **Validation, verification, and improvement of measure**: American Housing Survey is available every 2 years.

Capital Reserve Ratio
- **Description:** The capital ratio compares the "economic net worth" of the Mutual Mortgage Insurance Fund (MMIF) to the dollar balance of active, insured loans, at a point in time. Economic net worth is defined as a net asset position, where the present value of expected future revenues and net claim expenses is added to current balance sheet positions. HUD will maintain a capital reserve ratio that meets or exceeds the statutory minimum requirement. The capital ratio computation is part of an annual valuation of the outstanding portfolio of insured loans at the end of each fiscal year.
- **Data source:** FHA Single Family Data Warehouse Meta Tables
- **Unit of measurement:** Comparative between net asset position to balance of loans
- **Dimension:** Ratio
- **Calculation method:** The Net Present Value of future cash flows plus capital resources divided by insurance-in-force

- **Frequency:** Annual; HUD will investigate ways of showing on a quarterly basis how the business is tracking against the most recent actuarial forecast.
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** The data originate in the Single-Family Insurance System-Claims Subsystem, and for convenience are reported from FHA Single Family Housing Enterprise Data Warehouse.
- **Validation, verification, and improvement of measure:** No data limitations are known to affect this indicator. The loan servicers enter the FHA data, and the FHA monitors the data entry.

Priority 4: Promote climate resiliency, environmental justice, and energy efficiency across the housing sector.

Number of at-risk HUD housing units made healthy, physically safe, and lead-safe each year

Lead Hazard Control Grants
- **Description:** Number of housing units made healthy and lead-safe through HUD's Lead Hazard Control Grants.
- **Data source:** Grantee reports to Healthy Homes Grant Management System
- **Unit of measurement:** Housing units
- **Dimension:** Count
- **Calculation method:** Total of units from each grantee
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Units are counted only after payment has been made after lead hazard control work has been done and the units have been cleared for re-occupancy, so grantees have a fiduciary responsibility to report accurately; but some grantees report on a single unit more than once, as they make partial and then final payments.
- **Validation, verification, and improvement of measure:** Reports are validated against financial payments ((Line of Credit Control System [LOCCS] reporting) and verified by remote and on-site monitoring by grant Government Technical Representatives. Having software checks for duplicate counting of units would improve the measure.

Healthy Homes Grants
- **Description:** Number of housing units made healthy and lead-safe through HUD's Healthy Homes Grants.
- **Data source:** Grantee reports to Healthy Homes Grant Management System
- **Unit of measurement:** Housing units
- **Dimension:** Count
- **Calculation method:** Total of units from each grantee
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Units are counted only after payment has been made after hazard control work has been done and re-occupancy has been allowed, so grantees have a fiduciary responsibility to report accurately; but some grantees report on a single unit more than once, as they make partial and then final payments.
- **Validation, verification, and improvement of measure:** Reports are validated against financial payments (Line of Credit Control System reporting) and verified by remote and on-site monitoring by grant Government Technical Representatives. Having software checks for duplicate counting of units would improve the measure.

Lead Disclosure Rule Enforcement
- **Description:** Number of housing units made healthy and lead-safe through HUD's Lead Disclosure Rule Enforcement.
- **Data source:** Property owner/property manager reports
- **Unit of measurement:** Housing units
- **Dimension:** Count
- **Calculation method:** Total of units from each owner/manager
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Units are counted only after the owners/managers have documented completing work and the units have been tested to confirm low lead levels that would allow re-occupancy, so owners/managers face economic and/or court sanctions for not reporting accurately; but limitations on HUD staffing and travel funding preclude on-site quality control checking.
- **Validation, verification, and improvement of measure:** Lead hazard control work is validated by consistency checks on records from owners and managers. They are then verified by EPA- or State-certified lead risk assessors. The measure could be improved with routine on-site quality control checking by HUD lead program enforcement and/or its lead enforcement partners.

Lead Safe Housing Rule (LSHR) Enforcement - HOME-CDBG-HOPWA
- **Description:** Housing units made lead safe through work under HUD's Lead Safe Housing Rule.

- **Data source:** Reporting by funding recipients as tracked by the Integrated Disbursement and Information System (IDIS)
- **Unit of measurement:** Housing units
- **Dimension:** Count
- **Calculation method:** Total of units from each funding recipient
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Units are counted only after payment has been made for completing work and allowing re-occupancy, so funding recipients have a fiduciary responsibility to report accurately; routine on-site quality control checking for lead results by HUD lead program enforcement and/or its lead enforcement partners is not conducted.
- **Validation, verification, and improvement of measure:** Reports are validated against financial payments (LOCCS reporting) and verified by remote and on-site monitoring by CPD representatives. Measure would be improved by routine on-site quality control checking for lead results by HUD lead program enforcement and/or its lead enforcement partners.

Priority 5: Strengthen HUD's internal institutional capacity to deliver on mission.

Reduce the percentage of OIG open recommendations

- **Description:** This measure will track the reduction of the percentage of outstanding audit recommendations that are significantly overdue (i.e., findings for which corrective actions have been delayed by a year or more).
- **Data source:** The Audit Resolution Corrective Action Tracking System (ARCATS)
- **Unit of measurement:** Significantly overdue OIG audit remediation at of the end of the fiscal year
- **Dimension:** Percentage
- **Calculation method:** For the given annual performance review period (a fiscal year), the numerator is the number of significantly overdue recommendations closed and the denominator is the beginning balance of significantly overdue recommendations.
- **Frequency:** Annual
- **Direction:** Decrease in number of significantly overdue or increase in percent closed (depends on perspective)
- **Data quality (limitations/advantages of the data):** Data are reliable and reviewed and maintained in ARCATS.
- **Validation, verification, and improvement of measure:** The number of significantly overdue recommendations is reported by ARCATS via an aging report. Source data are jointly maintained, managed, and confirmed by OIG and HUD management.

Decommission Legacy Financial Systems

- **Description:** Modernize, consolidate, and then decommission HUD's separate financial systems into one central structure.
- **Data source:** Program Accounting System (PAS), Line of Credit Control System (LOCCS), HUD Central Accounting and Program System (HUDCAPS), and Financial Data Mart (FDM)
- **Unit of measurement:** Financial system
- **Dimension:** Count
- **Calculation method:** Sum
- **Frequency:** Annual
- **Direction:** Decrease
- **Data quality (limitations/advantages of the data):** An advantage is that the data is derived from a hard count of active systems that is verified by system managers. A limitation is that management changes may run the risk of common definitions noting the difference between a decommissioned but accessible system and a fully offline, inaccessible system.
- **Validation, verification, and improvement of measure:** Chief Technology Officer and OCIO verified reports, checklists, traceability, etc.

Average Time-to-Hire (OPM model)

- **Description:** This measure will track the average number of days it takes from validation of hiring need to tentative offer. HUD will analyze current and historical data for the Department to inform talent management strategies and decisions regarding the workforce.
- **Data source:** Career Connector and the Bureau of the Fiscal Service (BFS) Shared Service Provider (SSP)
- **Unit of measurement:** Days
- **Dimension:** Count
- **Calculation method:** Number of days within process
- **Frequency:** Annually
- **Direction:** Decrease
- **Data quality (limitations/advantages of the data):** Data is dependent upon SSP entry of some data elements. OCHCO will provide quality oversight review of SSP data.
- **Validation, verification, and improvement of measure:** OCHCO will provide quality oversight review of SSP data.

Number of Enterprise IT Solutions Implemented

- **Description:** The number of enterprise-wide IT solutions that are implemented to streamline manual or cumbersome processes.
- **Data Source:** The HUD Chief Technology Officer
- **Unit of measurement:** Number of enterprise-wide IT processes

- **Dimension:** Count
- **Calculation Method:** Count of enterprise-wide IT processes during each calendar year
- **Frequency:** Annually
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** A constraint is the limited ability to challenge the Chief Technology Officer's direct knowledge of solution implementation.
- **Validation, verification, and improvement of measure:** Solutions are catalogued, verified, and validated by HUD's Chief Information Officer and Principal Deputy Chief Information Officer.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT