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# PIH in Motion

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transitions



translations



transformations



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# Highlights FY 2011

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## **PIH HIGHLIGHTS REPORT FY 2011**

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# PIH in Motion

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*trans-, prefix*

*1: on or to the other side of; across*

*2: beyond*

*3: through*

*4: so or such as to change or transfer*

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The Office of Public and Indian Housing (PIH) is a dynamic organization within the U.S. Department of Housing and Urban Development (HUD) that is always on the **move** and always changing. We are anything but inert or static, because the residents we serve, their circumstances, and their environments are always changing.

With over **1,500** PIH staff members in HUD headquarters and in **46** Field Offices, administering programs through more than **3,100** Public Housing Agencies (PHAs) and **3.3 MILLION** households with **60%** of HUD's operating budget, we can't afford to stand in place.

Whether it's on the ground, within our walls, or beyond, through the various gradations of change, we will always **move** with an eye toward serving our families.

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TRANSITIONS  
TRANSLATIONS  
TRANSFORMATIONS

OF LIVES  
OF IDEAS  
OF COMMUNITIES

## A MESSAGE FROM HUD-PIH ASSISTANT SECRETARY

SANDRA B. HENRIQUEZ



Dear Friends:

The Office of Public and Indian Housing is responsible for administering and managing a range of programs authorized and funded by Congress under the basic provisions of the U.S. Housing Act of 1937, which is the basic authorizing statute for the Public Housing and Section 8 Housing Choice Voucher programs.

Since the enactment of the original 1937 Act, PIH and our nation's affordable housing stock have undergone a myriad of changes. However, one thing that has always stayed the same as PIH moves through time is the fundamental nature of our work: we work with people, programs, and places in profound ways.

We help people **transition** through difficult stages in life, *providing safe passages* whether moving from an institution to independence or from the streets to a home using housing vouchers, or from government assistance to self-sufficiency using Homeownership programs.

Our **programs** span the nation and we **translate** the ideas in those programs into *real-world results* by moving through processes within our walls. We translate houses into homes using goals, targets, and tools; rules into funds using notices and demonstrations; and data into decisions using assessments and initiatives.

We shape **places** by **transforming** communities with the aim of *producing sustainable futures*, whether it is greening and conserving communities using American Recovery and Reinvestment Act funds or revitalizing them using program grants like Choice Neighborhoods.

When it comes to Public Housing and its programs, we are always in motion. Please move with us as we continue to improve our ability, not only to provide the most economically vulnerable people places to live through our programs, but to provide homes and a sense of belonging in a community.

Sincerely,

A handwritten signature in blue ink that reads "Sandra B. Henriquez". The signature is fluid and cursive, with a large loop at the end.

Sandra B. Henriquez



Message from HUD-PIH Assistant Secretary.....5

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# TRANSITIONS

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*tran·si·tion, noun, /tran`ziSHən, -`siSHən/*

*1a : passage from one state, stage, subject, or place to another : change*

*b : a movement, development, or evolution from one form, stage, or style to another*

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Transitions--**moving** from one stage to the next, being one step closer to achieving goals--can be an exciting time; they can open up opportunities and connect the present to a myriad of possibilities.

However, transitions can also be a time of extreme vulnerability, as people and lives become exposed to the potential pitfalls in the change process. Most change does not come as smooth progressions **moving** from point A to B. There are disruptions, confusions, and difficulties.

Ensuring a safe passage through transitions is something that PIH has done, is doing, and will continue to do for our residents.

## OF LIVES

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## PROVIDING SAFE PASSAGE

### from Institution to Independence



Sonia.....8  
NED-II.....10

**948**  
people like Sonia will be  
assisted

### from the Streets to a Home



Bruce.....12  
VASH.....14

**32,657**  
people like Bruce  
assisted

### from Assistance to Self-Sufficiency



Silvia.....16  
HCV.....18

**19,366**  
people like Silvia  
assisted

# Sonia awoke...

After being in a coma for five months, she found that her 7-year-old daughter had died after the two of them were hit by a car on a Baltimore street.

Sonia also found that her son, Ezekiel, born just a few days before the accident, was now five months old. He and his 2-year-old sister, Essence, were separated and being cared for in different foster homes.



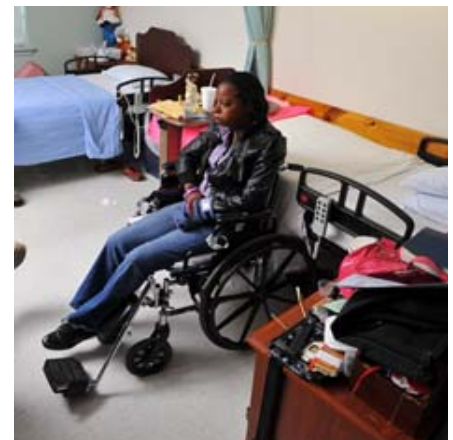
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“I felt like  
this was the  
end of my life”

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Aside from the emotional trauma of the accident, Sonia had to contend with her physical trauma. The accident left her with significant injuries that impaired her physical functioning and mobility, leaving her unable to care for her basic needs.

When she left the hospital for the nursing home where she would spend 29 months, Sonia contemplated ending her life.



# ...life had completely changed



Finding strength in her faith, she decided she would get out of the nursing home.

Sonia worked hard in therapy and in the rehabilitation program, which included job-training; she went through a custody hearing, where she learned that she could reunite her family.




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“ I learned that I could get my kids back if I could get a **house**”

---

Working with her coordinator and a housing specialist, Sonia became eligible for a Home Based Community Waiver and a HUD Non-Elderly Disabled Category 2 (NED-II) Voucher.

On June 3, 2011, Sonia moved into her new home in Baltimore, funded in part by the HUD NED-II voucher.

*Sonia was one of the first individuals in Maryland to benefit from the HUD NED-II voucher program.*





# NON-ELDERLY DISABLED CATEGORY II

or NED-II Vouchers, like the one that allowed **Sonia** to live an independent life with her children, represent a groundbreaking inter-agency collaboration between HUD and the Department of Health and Human Services (HHS).

The two federal agencies offer a combination of rental assistance, health care, and other supportive services targeted to help non-elderly Americans with disabilities, **like Sonia**, leave nursing homes or other healthcare facilities to live independently.

State Medicaid agencies **link eligible families** to local public housing agencies that administer voucher distribution. Individuals in the NED-II voucher program also receive health and social supports for **independent living**.

Funding for the NED-II Vouchers came from HUD's **Rental Assistance for Non-Elderly Persons with Disabilities Program**, which uses **\$40 million** to fund **5,300 vouchers** for non-elderly persons with disabilities, **like Sonia**, to promote independent living.

In FY2010, HUD awarded \$33 million to support a first round of 4,300 vouchers, making it possible for non-elderly individuals with disabilities to access affordable housing and **avoid** potential institutionalization.

In FY2011, the second round of vouchers, the NED-II vouchers, targeted non-elderly individuals with disabilities **currently** living in institutional settings, such as nursing homes, who could move into a community with assistance.

“Through our collaboration with the Department of Housing and Urban Development, I know that we will be able to dramatically change people’s lives. Individuals with disabilities can have a life in the community that serves their needs and supports them in leading productive, meaningful lives.”

**Kathleen Sebelius,**  
HHS Secretary

The HUD NED-II voucher program is part of larger initiatives, such as President Obama’s **Year of Community Living** and works with ongoing and previously existing programs at **HHS**.

HUD’s NED-II voucher program coordinates with **HHS’s Centers for Medicare & Medicaid Services (CMS)**, through its **Money Follows the Person (MFP)** program, which allows individuals who qualify for Medicaid-funded nursing homes or other institutional care to transition into the community with needed services.

**Year of Community Living** furthers the implementation of the 1999 landmark Supreme Court ruling in **Olmstead v. L.C.**, which protects people with disabilities against unnecessary institutionalization; such forced institutionalization can lead to isolation and segregation of individuals with disabilities and be a serious and pervasive form of discrimination.

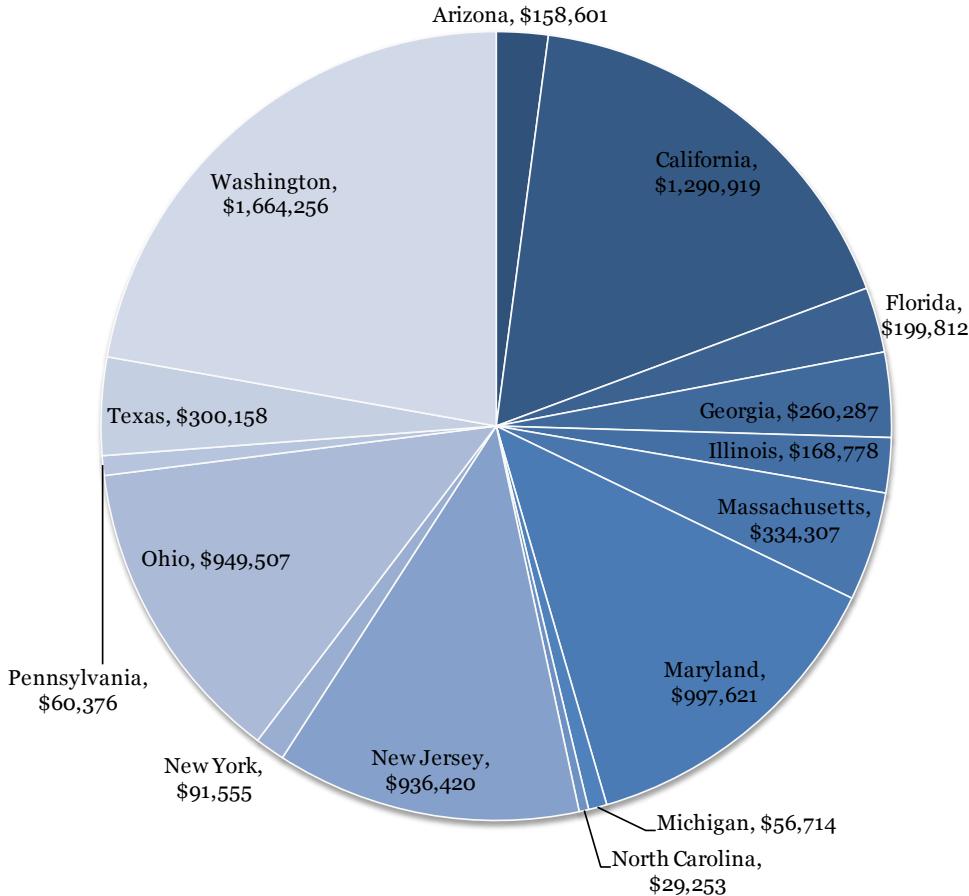
28  
public housing  
agencies

15  
states

7.5  
million dollars  
worth of vouchers

NINE HUNDRED & FORTY EIGHT

NED-II Vouchers Awarded in FY 2011



# Bruce served...



After serving for six years as a Marine, Bruce was honorably discharged.

He traveled from Michigan to Los Angeles to San Diego in search of work. After failing to find any suitable full-time jobs, he subsisted on temporary and part-time work. Soon, however, even these positions vanished. Bruce found himself homeless.

“Jobs can go away,  
but the streets are  
always available.”

His problems were exacerbated by his own health issues, as well as a brother who was dependent on Bruce’s care.

“I have an illness called depression. And I’m taking care of my brother, who has pancreatic cancer and PTSD. Last year, my brother weighed only 113 pounds. He can’t do anything.”

The two brothers spent over 20 years on the streets of San Diego. Collecting and redeeming bottles and cans provided some income. They stayed alive – if only barely.



# ...life got complicated

With things looking increasingly bleak, Bruce had a moment that changed everything. He met a social worker who was conducting street outreach, and she told him about the HUD-VASH program, which provides housing vouchers for homeless veterans.

“I had a change of mindset. An opportunity was given, and I ran with it.”

Through the program, Bruce and his brother were placed in a two bedroom apartment. No longer struggling to survive on the streets, he could focus – for

the first time in decades – on realizing his professional goals. Bruce is now enrolled in a junior college, where he is training to become a registered nurse. He marvels at the extraordinary transition that has occurred in the past year.

“It’s a huge jump. To be a needy, filthy person on the streets, and all of a sudden, you are in the career you wanted. This is a blessing.”



# VETERANS AFFAIRS SUPPORTIVE HOUSING

or VASH Vouchers like the one that allowed **Bruce** to get off the streets and into an apartment, are part of a HUD-PIH partnership with the Department of Veteran's Affairs (VA). VA Medical Centers provide supportive and clinical services and case management for eligible homeless Veterans while HUD provides rental assistance through housing vouchers.

HUD-VASH aims to help Veterans by promoting maximum Veteran recovery and independence to sustain permanent housing in the community; it is designed for Veterans living with a disability, mental illness, addiction, chronic homelessness, or other issues who can be assisted with ongoing case management.

From 2008 to FY 2011, Congress has appropriated a total of \$275 million in funding for HUD-VASH vouchers. In FY 2011, \$50 million was appropriated to HUD for **7,250 new vouchers** while the VA dedicated \$40 million to the hiring of approximately 290 new VA case managers.

During FY 2011, PHAs participating in HUD-VASH issued **17,424** vouchers and enabled **14,621** Veterans to rent units.

Compared with the numbers achieved in FY2010, participating PHAs issued **28% more** vouchers and enabled **31% more** Veterans to lease units in FY 2011.

As of September 30, 2011, the HUD-VASH program has assisted a **total of 32,657** homeless Veterans like **Bruce**, to become permanently housed since 2008.

“We have no greater mission than to prevent and end homelessness, especially for those brave men and women who risked their lives to protect our nation.”

Shaun Donovan  
HUD Secretary

The HUD-VASH program plays a specific role in a larger federal initiative: **Opening Doors**.

**Opening Doors: Federal Strategic Plan to Prevent and End Homelessness** was launched June 22, 2010; it is America's first ever comprehensive national strategic plan designed to end homelessness. It is an aggressive and far-reaching plan that outlines goals formulated by the U.S. Interagency Council on Homelessness (USICH) that consists of secretaries and heads of the 19 federal departments and agencies--including HUD, VA, and HHS.

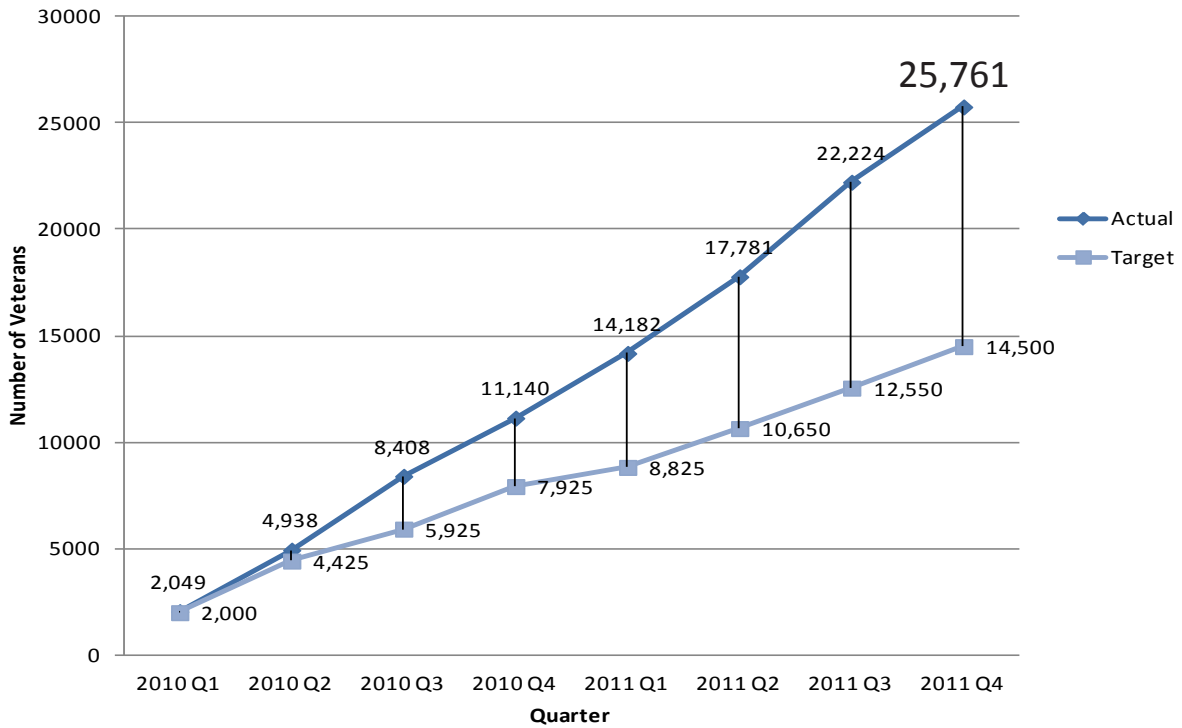
*One of its ambitious goals in relation to Veterans is to prevent and end Veteran homelessness by 2015.*

“Those who have served this nation as Veterans should never find themselves on the streets, living without care and without hope.”

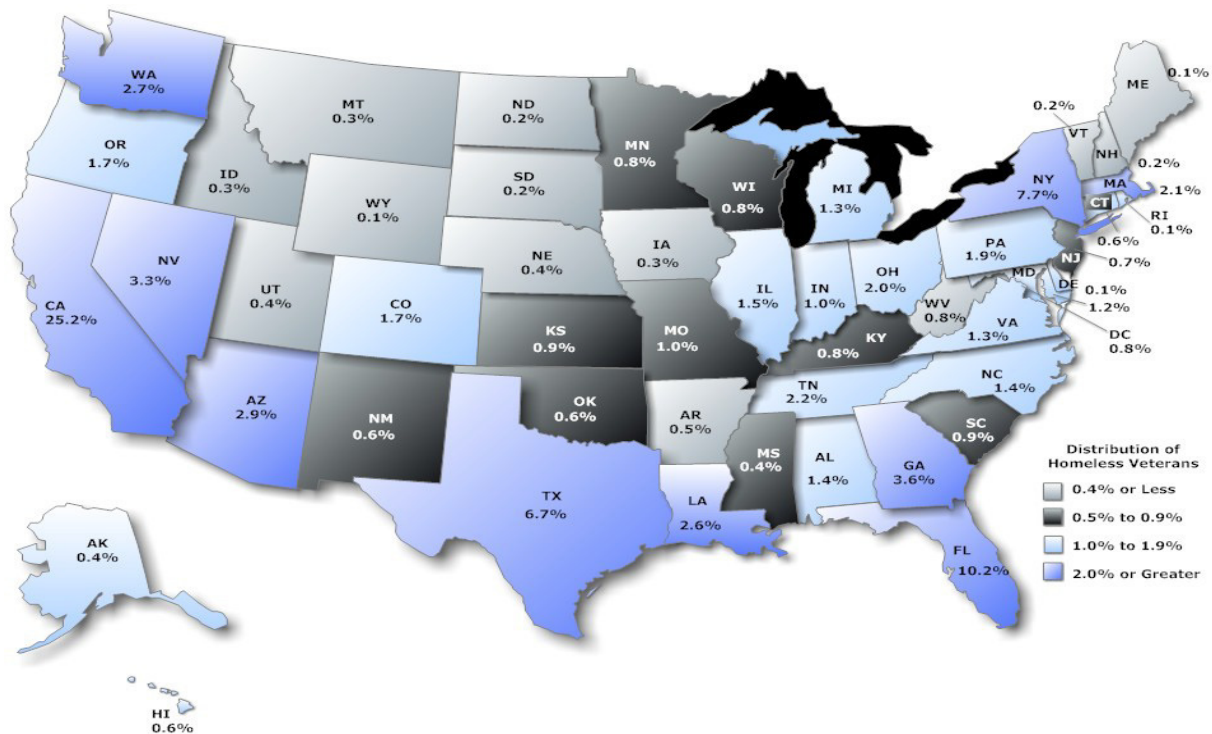
Eric K. Shinseki  
VA Secretary



# Homeless Veterans in Permanent Housing through HUD-VASH During the Measurement Period, FY 2010 – FY 2011



## Distribution of Homeless Veterans



# Silvia worried . . .



Silvia only had a high school diploma and some accounting experience accumulated in Hong Kong when her husband left her.

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“One of my biggest challenges in life happened... my husband abandoned me and my 5 children.”

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With children ranging in age from 3 to 16, Silvia struggled with supporting a family of 6 as a single mother, working

multiple jobs at the same time and attending classes to earn her associate’s degree in accounting.

Silvia heard about the Section 8 Housing Choice Voucher enrollment process through the news. She applied and was accepted after years of waiting (see page 24).

After a few years, Silvia received her associate’s degree in accounting. She then transferred to UC Berkeley, graduating two years later with a bachelor’s degree in Economics.

# ...life was a challenge



“The Section 8 program reduced the financial stress I had on renting a home for my family.”

With her bachelor’s degree, Silvia was able to find a job that better supported her family. She then joined HUD’s Family Self-Sufficiency Program (FSS) and created financial goals to pay off her debt and save for a down payment on a home.



Silvia wanted to own a home so that, “we could sustain ourselves without the help from government programs. This way, others can benefit from this program as well.”

When Silvia felt confident that she had saved enough for a down payment and could qualify for a loan, she signed up for the Section 8 homeowner-ship program (HCV/HO). She met with a mortgage specialist and provided documentation of the necessary down payment requirements and the certificate of attendance for a HUD certified Homeownership class. When she was approved for a loan, she met with a realtor and eventually made an offer on a condo that was accepted.



Now, a proud homeowner, Silvia reflects on her journey, “The most important thing I want for my children is obtaining higher education...I believe that higher education allows them to have a better future and can avoid going through the struggles that I went through.”



## HOUSING CHOICE VOUCHER HOME OWNERSHIP PROGRAM

or HCV/HO Program, which **enabled Silvia** to eventually own her own home, was designed to move people from government-funded rental assistance to financial independence and self-sufficiency. Instead of using a voucher subsidy to help a family with rent, the homeownership option allows first-time homeowners to use a voucher subsidy to meet monthly homeownership expenses for up to fifteen years, with exceptions to the maximum term for disabled and elderly families.

HUD has provided and continues to provide incentive funds to PHAs for each closing. PHAs can coordinate their HCV/HO programs with many Federal, State, and local homeownership assistance programs to increase resources for prospective homeowners.

The HCV/HO Program was established twelve years ago. Since then, more than 19,000 families **like Silvia's** have left the residential rental world and have become homeowners. The ranks of participating lenders have grown as national and local lenders have gained an understanding and seen the stability of the HCV/HO program. PHA participation continues to grow, with currently 928 PHAs operating active HCV/HO programs.

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## HOUSING CHOICE VOUCHER FAMILY SELF-SUFFICIENCY PROGRAM

or HCV/FSS Program, which supported **Silvia** on her journey to homeownership, is a HUD-PIH program administered by more than 1,000 PHAs. It encourages communities to develop local strategies to help voucher families obtain employment that will lead to economic independence and self-sufficiency.

FSS program services may include, but are not limited to: child care, transportation, education, job training, and employment and homeownership counseling. PHAs work with welfare agencies, schools, businesses, and other local partners to develop a comprehensive program that ultimately enables participating FSS family members to obtain employment that pays a living wage. A separate program, the public housing FSS program, is available for public housing residents.

As of June 30, 2011, approximately 47,000 families were enrolled in HCV/FSS. 60 percent of the families that had been in HCV/FSS for at least a year had increased their earned income since enrollment. About 20 percent of nearly 2,500 HCV families that completed their FSS contracts in FY 2011 no longer needed rental assistance.

# HOUSING CHOICE VOUCHER PROGRAM

or HCV, like the one **that assisted Silvia** during a critical financial period and enabled her to live with her children in safe and sanitary housing is the federal government's major housing program for assisting 2.2 million very low-income families. Housing assistance is provided on behalf of the family or individual, so the participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing developments.

During challenging economic situations in FY2011, PIH safeguarded residents and supported Public Housing Agencies (PHAs) against economic collateral damage.

PIH ensured that no families assisted under the HCV program lost their homes by proactively forming a Shortfall Prevention Team (SPT) in 2010 to support PHAs. In FY 2011, the SPT and its partners worked with 216 PHAs, providing targeted technical assistance which involved developing, implementing, and monitoring financial plans.

In the two years of SPT operation, over 28,000 families **like Silvia's** have avoided losing their vouchers and their homes, effectively protecting one of the most vulnerable sections of American society.

ZER  
N **0** NE

Number of Housing Choice Voucher families  
that lost their homes/vouchers due to PHA  
budget delays/shortfalls in FY2011



# TRANSITIONS

---

*where we were*

*where we are*

**A**

FY2010



**B**

FY2011

---

948

NED-II vouchers awarded

14,621

more Veterans housed

32,657

total Veterans housed

0

families that lost their  
homes due to PHA budget  
delays/shortfalls

---

**P R O V I D I N G**

# OF LIVES

---

*where we are*

*where we will be*

**B**

FY2011



**C**

FY2012

---

Issue a Lessons Learned/  
Best Practices Guide  
collaborating with CMS &  
PHAs

12,200  
more Veterans housed

44,857  
total Veterans housed

0  
families that lose their  
homes due to PHA budget  
delays/shortfalls

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**S A F E P A S S A G E**

# TRANSLATIONS

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*trans·la·tion* noun \tran(t)s-`ā-shən, tranz-\

1: an act, process, or instance of translating: as

*a* : a rendering from one language into another; also : the product of such a rendering

*b* : a change to a different substance, form, or appearance : conversion

---

Translations are most commonly considered **moving** between two languages, changing the words while keeping the meaning.

The language of government is full of abstract ideas: systems, protocols, and a multitude of **moving** parts. We are entrusted with the process of converting paperwork, acronyms, budgets, and tools to programs and initiatives that serve our residents. At PIH, we translate the abstract language of government within our walls to the language of concrete reality outside of our walls.

In short, we translate bureaucracy to real-world results because **home--casa, maison, haus, дома**--means the same to us in any language.

## OF IDEAS

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# DELIVERING REAL-WORLD RESULTS

## Houses into Homes



HPPG2.....24  
Occupancy.....26

**91,980**  
more families housed in  
FY2011 than in FY2010

## Rules into Funds



NOFA.....28  
MTW.....30

**7**  
NOFAs published

**2**  
new MTW agencies added

## Data into Decisions



PHAS.....32  
PHARS.....34

**published**  
PHAS Interim Rule

**140**  
Troubled or Substandard  
PHAS engaged in PHARS  
Initiative

# HOUSING MORE FAMILIES: HIGH PRIORITY PERFORMANCE GOAL 2

or HPPG2, was designated by HUD in 2009 to **house more families like Sonia, Bruce, and Silvia.**

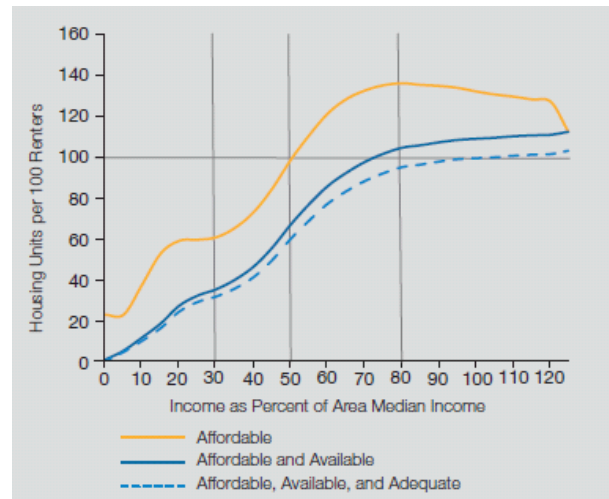
Silvia’s wait (see page 16-17) to participate in the HCV program reflects the overwhelming need not only for rental assistance, but also for affordable rental housing. This need outpaces supply, especially for low-income families. Only 36% of extremely low-income renters have affordable and adequate units available to them.

According to HUD’s most recent *Worst Case Housing Needs Report*, which collects data biennially and was published in 2011, worst case housing needs grew more than 20% from 2007 to 2009 and by 42% since 2001.

The term, “worst case housing needs” refers to low-income households who pay more than half their monthly income for rent, lived in severely substandard housing, or both.

Government housing assistance programs, like those provided by HUD, significantly reduce worst case housing needs and homelessness, but are not available for all those who need assistance. Nationwide, only 25% of the very poor receive some form of rental assistance.

Three Measures Characterize the Sufficiency of the U.S. Rental Housing Stock 2009<sup>1</sup>



In 2009, the number of renters with children and very low incomes, **like Silvia**, increased by 430,000 from the 2007 level. Among this group, only 1.69 million or 25% have rental assistance.<sup>2</sup>



14% of all homeless people identified themselves as Veterans **like Bruce** at a point-in-time count in 2011<sup>3</sup>, but only about 7% of the total U.S. population has Veteran Status.<sup>4</sup>



Among very low-income renters that include nonelderly people with disabilities, **like Sonia**, the incidence of worse case housing needs averages 38.2%.<sup>5</sup>



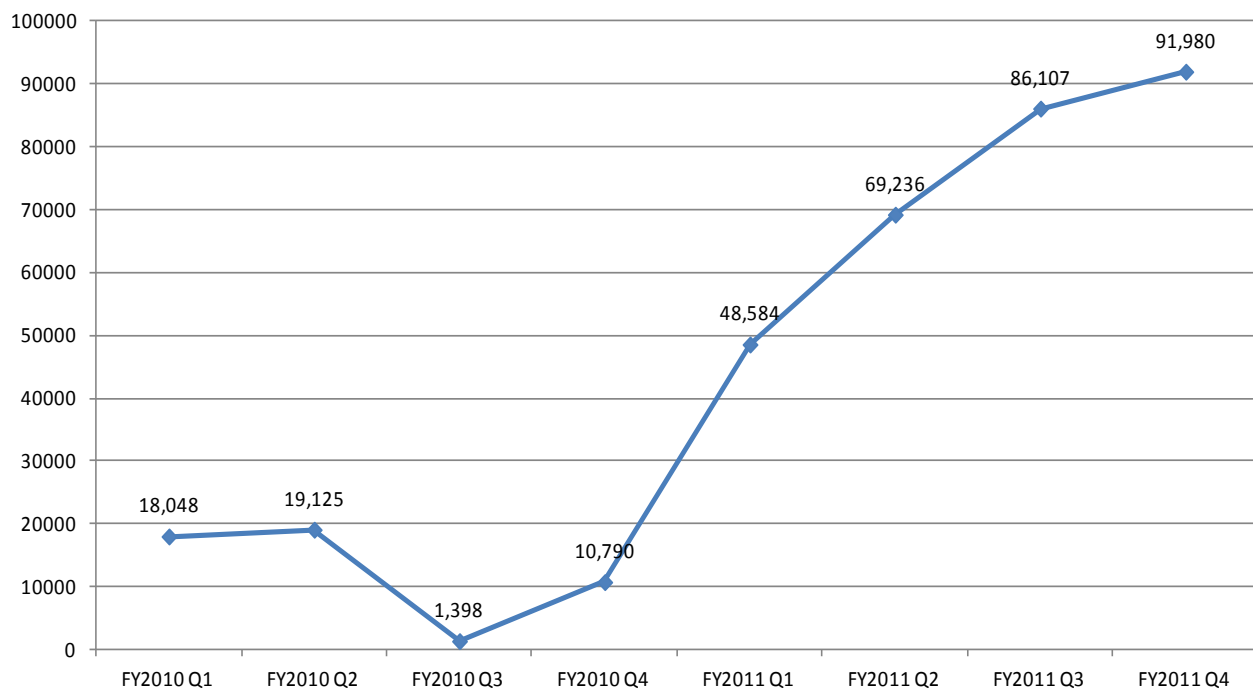


PIH contributed to HPPG2 by conducting analysis and targeting technical assistance to PHAs so that they could lease more vouchers, develop new housing units, and reduce chronically vacant Public Housing units to maximize occupancy.

**Over the course of the two-year goal from FY 2009 to FY 2011, a total of 91,980\* more families were served: 23,204 through Public Housing, 70,923\*\* through Voucher programs, and 1,327 through Indian Housing Block Grants, effectively serving 3.298 million total families.**

## HIGH PRIORITY PERFORMANCE GOAL 2: ADDITIONAL FAMILIES SERVED BY PIH RENTAL ASSISTANCE

Quarterly Point-in-Time Measure of Cumulative Performance Over FY 2009 Baseline



The dip beginning in FY 2010 Q2 was largely due to data correction.

\*91,980 net families from FY 2009 to FY2011, with -3,474 units in Moderate Rehabilitation.

\*\* 70,923 is a sum of HCV and Mainstream Vouchers

1 U.S. Department of Housing and Urban Development, Office of Policy Development and Research, tabulations of American Housing Survey data

2 Worst Case Housing Needs 2009 Report to Congress

3 The 2011 Point in Time Estimates of Homelessness: Supplement to the Annual Homeless Assessment Report, December 2011

4 Veteran population in 2010 estimated at 22.7 million in Veteran Population Projections: FY2000 to FY2036, United States Department of Veterans Affairs, U.S. Population in 2010 estimated at 308.7 million, U.S. Census Bureau, <http://quickfacts.census.gov/qfd/states/00000.html>

5 Worst Case Housing Needs 2009 Report to Congress

# INCREASING PUBLIC HOUSING OCCUPANCY RATES

as part of HPPG2, PIH committed to house 33,143 more families through Public Housing in FY2011 than in FY2009. To do so, PIH worked to maximize occupancy in existing Public Housing units as well as build and acquire new Public Housing units--in short, turning houses into homes.

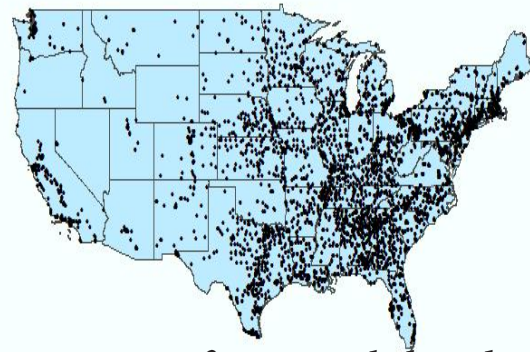
PIH first developed a set of reports to provide a comprehensive picture of our national inventory of 1.2 million Public Housing units. These reports captured a targeted level of detail with 19 possible definitions of occupied or vacant and even how long each unit had been vacant.

In addition, PIH issued new policy guidance to clarify acceptable uses of Public Housing units and the maximum length of time that subsidized Public Housing units could be used for purposes other than housing eligible families. The guidance also highlighted the process for obtaining HUD Field Office approval.

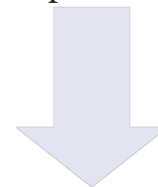
These two achievements empowered PIH Field staff to better collaborate with PHAs to track and lease-up Public Housing units. To assist Field Offices in this effort, PIH developed the Public Housing Utilization Tool.

## Units Validated by the Utilization Tool

April 30, 2011



10.8% of units validated  
Projects with units not validated pictured



July 31, 2011



99.6% of units validated  
Projects with units not validated pictured

The Utilization Tool is a first generation portfolio management and tracking tool that measures occupancy of 1.2 million Low-Rent Public Housing units nationwide. It enabled Field Office staff to view and validate the status of all Public Housing units to identify units with leasing potential or units that could be quickly leased up.

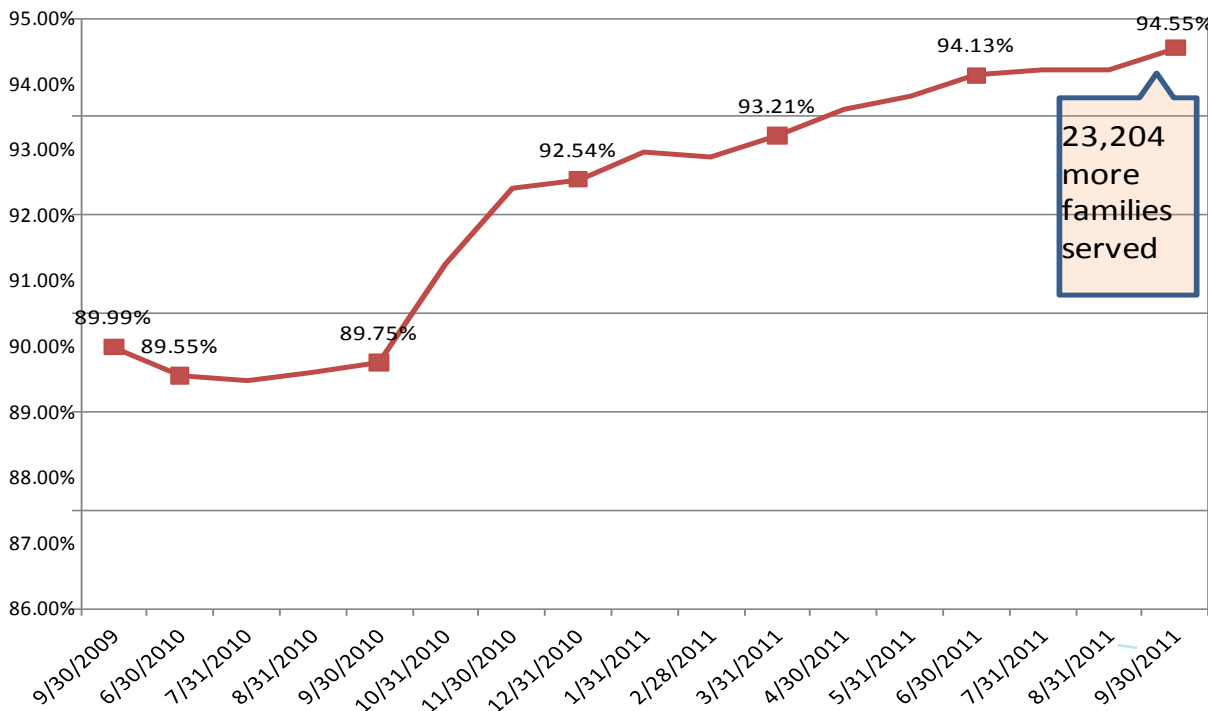
In FY 2011, 600 PIH staff in every Field Office validated the status of 99.6% of all Public Housing units nationwide through the Utilization Tool. In addition, they used the detailed, rapidly updated information in the Utilization Tool to drive conversations with PHA staff on how units could be better uti-

lized—contributing to an impressive increase in occupancy.

At the same time that PIH and its partners were maximizing occupancy of existing units, they were also bringing new units into the Public Housing inventory; many of these units were constructed or acquired by PHAs through funding and authority provided under the American Recovery and Reinvestment Act (see pages 40-43).

At the close of FY 2011, PIH was serving 23,204 more families than two years before. Over that period, the national Public Housing Occupancy Rate rose from 89.99% to 94.55%. The number of vacant Public Housing units fell by more than 55,000.

## Occupancy Rate of Public Housing Units Nationwide



# NOTICES OF FUNDING AVAILABILITY

or NOFAs announce grant opportunities and outline the rules of competition, instructions for application, and the criteria used to evaluate an application.

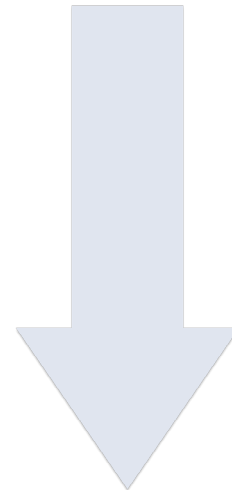
Congress approves funding for a program; then, NOFAs must be written and cleared through PIH program offices, HUD, and the Office of Management and Budget (OMB) before being published.

Once the NOFA is published, HUD closes the competition, reviews, processes, and awards the grants. For FY2011, PIH awarded \$283.3 million dollars in competitive funds. This includes funds that were combined with FY2010 funds and awarded through the FY2010 NOFA process.

The efficiency with which NOFAs are processed and awarded directly determines how efficiently we can serve our residents; therefore, a HUD-wide initiative was launched to decrease NOFA processing time.

The NOFA life cycle has 4 major phases: HUD departmental clearance, OMB clearance, Signature Package & Posting, and Application review/Award Announcement & Grant Obligation. The clearance process from budget passage to NOFA posting--the first three phases--was determined to be the lengthiest process in the NOFA life cycle to obligate funds.

In FY2011 the processing time to NOFA posting decreased HUD-wide by 82%. In HUD's Townhall meeting on October 4, 2011, HUD Secretary Shaun Donovan considered this the #4 accomplishment out of HUD's Top Ten accomplishments for FY2011.



PIH took the challenge by organizing a team of highly skilled Subject Matter Experts and forming a NOFA working group to monitor, track and award grants and decrease NOFA processing times. The working group identified and resolved problems that arose during the clearance process, and streamlined the process for PIH.

As a result, in FY2011, PIH published 7 NOFAs specifically for FY2011 funds and processing time decreased by 83% from budget passage to posting on grants.gov.

### FY 2011 PIH Notices of Funding Availability\*

Grants	Description	\$ Total	# of awards
Capital Fund Education and Training Facilities	This program provides capital funding to PHAs for the construction, rehabilitation, or purchase of facilities to provide early childhood education, adult education, and/or job training programs for public housing residents based on an identified need. Additionally, PHAs may use CFCF program funding to rehabilitate existing community facilities that will offer comprehensive, integrated services.	\$21.1 M	9
HOPE VI Mainstreet	This program provides grants to small communities to assist in the rejuvenation of an historic or traditional central business district or "Main Street" area by replacing unused commercial space in buildings with affordable housing units.	\$500 K	1
Choice Neighborhoods Planning	See Pages 56-57	\$3.6M	13
Indian Community Development Block Grant	This program provides direct grants for use in developing viable Indian and Alaska Native communities. Eligible activities include creating decent housing, suitable living environments, and economic opportunities primarily for persons with low- and moderate- incomes. **	\$60.9 M	84
Resident Opportunity for Supportive Service Coordinator	This program provides grants to PHAs, tribes/tribally designated housing entities (TDHEs), Resident Associations (RAs), and tax-exempt nonprofit organizations for Service Coordinators to coordinate supportive services and other activities designed to help Public and Indian housing residents attain economic and housing self-sufficiency, such as training and economic literacy programs. The ROSS-SC coordinators may also coordinate supportive services for the elderly/disabled, intended to support independent living.	\$34.9 M	112
Public Housing Family Self-Sufficiency program	This program funds public housing authorities to hire program coordinators who connect work-ready public housing residents with services designed to promote self-sufficiency. The program coordinator refers residents to local organizations which provide educational and job training programs residents need to achieve economic self-sufficiency.	\$14.9 M	238
Housing Choice Vouchers Family Self-Sufficiency program***	See program above, but targeted for HCV holders; See also page 19	\$58.6 M	663

\*Refers to NOFAs published specifically for FY 2011

\*\* An additional \$3.9 was made available to assist tribes faced with imminent threats to health and safety.

\*\*\*An additional 3 PHAs who applied under the FY 2010 HCV FSS NOFA were funded with FY 2011 HCV FSS dollars.



# MOVING TO WORK DEMONSTRATION

or MTW, is a demonstration program that allows PHAs to design and test ways to: promote self-sufficiency among assisted families, achieve programmatic efficiency and reduce costs, and increase housing choices for low-income households. It essentially serves as a laboratory for efforts to alter or streamline how Public Housing and HCV rental assistance is distributed nationally, regionally, and locally.

MTW was authorized in 1996, implemented in 1999, and set to run until the end of each participating agency's 2018 fiscal year.

In FY2011, 2 new MTW agencies were added, bringing the total count to 35.

MTW agencies manage nearly 10% of all Public Housing units and nearly 13% of all vouchers. Combined, they receive roughly \$2.3 billion in voucher funding, roughly \$682 million in Public Housing Operating Funds and roughly \$300 million in Capital Funds.

MTW PHAs are permitted to seek exemption from many existing public housing and Housing Choice Voucher program rules found in the United States Housing Act of 1937. This means that they have the flexibility to combine Public Housing Operating and Capital funds with Housing Choice Voucher funds in order to provide housing assistance that better adapts to local needs.



THE WORK FORCE

The Work Force (WF) is a comprehensive after-school educational enrichment and work-readiness program for low-income teens in public housing at the Cambridge Housing Authority (CHA).

WF is an extremely effective program: in the 2010-2011 school year, 100% of participants graduated high school and were subsequently enrolled in college or employed. Furthermore, 94% of all WF alumni are in school or working and 66% of WF alumni are no longer living in public housing.

**WF is also an example of MTW fungibility.** Since becoming a MTW agency, CHA has been able to commit \$515,000 to WF. CHA has been able to leverage this funding to obtain financial and community support and ultimately expand its program.

In the 2011-2012 school year, with the support of the local school district, WF expanded from 3 sites located in its largest family public housing developments to a 4th site within the city's local high school.

This support provided space, direct access to student databases, and funding: 33% of the costs for the 2011-12 academic year and 50% thereafter, in addition to 100% of the funding for the WF MCAS/SAT Prep program and the WF Summer Literacy Camp.

In granting funding flexibility, or fun-  
gibility, the MTW statute requires that  
MTW PHAs must “[continue] to assist  
substantially the same total number of  
eligible low-income families as would  
have been served had the amounts [of  
funding] not been combined.”

Historically, PIH has relied on a cer-  
tification from MTW PHAs that this  
requirement was being met. These cer-  
tifications, however, did not provide a  
way for HUD to determine the extent to  
which the statutory obligation was being  
met.

In FY 2011, PIH established a consistent  
methodology and tracking mechanism,  
and can now not only ensure that MTW  
agencies are meeting a key requirement

of the demonstration, but can also cap-  
ture instances where MTW agencies  
have been able to serve more families  
as a result of the flexibilities afforded to  
them.

During the first year of the process to  
confirm that each MTW PHA is serv-  
ing the same number of families that it  
would have absent the demonstration,  
PIH sought to test aspects of the meth-  
odology and collaboratively construct  
with the MTW PHA a historical record  
of families served.

This information is critical to accurately  
determining the number of families  
assisted by HUD programs and in as-  
sessing whether more PHAs may benefit  
from the flexibilities accorded by MTW.

## Moving to Work Agencies in the United States

Alaska Housing Finance Corporation	Housing Authority of the City of New Haven
Atlanta Housing Authority	Oakland Housing Authority
Housing Authority of Baltimore City	Orlando Housing Authority
Boulder Housing Partners**	Philadelphia Housing Authority
Cambridge Housing Authority	Housing Authority of the City of Pittsburgh
Housing Authority of Champaign County	Portage Metropolitan Housing Authority
Charlotte Housing Authority	Housing Authority of Portland
Chicago Housing Authority	San Antonio Housing Authority
Delaware State Housing Authority	Housing Authority of the County of San Bernardino
District of Columbia Housing Authority	San Diego Housing Commission
Keene Housing Authority	Housing Authority of the County of San Mateo
King County Housing Authority	Housing Authority of the County of Santa Clara/ Housing Authority of the City of San Jose
Lawrence Douglas County Housing Authority	Seattle Housing Authority
Lexington-Fayette Urban County Housing Authority**	Tacoma Housing Authority
Lincoln Housing Authority	Tulare County Housing Authority
Louisville Metropolitan Housing Authority	Vancouver Housing Authority
Massachusetts Department of Housing and CD	
Minneapolis Public Housing Authority	

\*\*newly added to MTW demo in FY 2011

# PUBLIC HOUSING ASSESSMENT SYSTEM



or PHAS, helps the delivery of public housing services to PHAs, residents, and the general public by providing an assessment of PHA performance in four essential areas of housing operations.

PHAS also ensures residents live in safe, decent and sanitary housing that is in good repair through physical inspections that identify deficiencies, including safety deficiencies like those pictured on this page, and ensure that they are corrected or remedied.

The PHAS rule was first published and implemented in 1998. **In FY 2011, an updated rule, the PHAS Interim Rule was published.** The Interim Rule reflects the changes to public housing operations from the conversion to asset management, reduces the paperwork burden for PHAs, emphasizes occupancy, and changes the scoring by placing more weight on the physical condition of units and using more information from the PHA's Financial Data Schedule (FDS).



PHAS assesses PHAs on their physical and financial conditions, management operations, and Capital Fund Program usage. Using these 4 assessments, PHAS produces an overall score out of 100 possible points which results in a PHAS designation.

Based on the PHAS designation, PHAs may be eligible for incentives (e.g., increased capital funding and bonus points for funding competitions) or subject to actions under PHARS (see page 34-35) that remediate systemic issues.

2011 is the baseline year for the Interim Rule in which approximately 3,000 PHAs will be assessed. PIH expects to issue the first group of scores and designations for 1,610 PHAs for FY2011 performance.

PHAS Interim Rule Scoring	Point Maximum
Physical Condition (PASS)	<b>40 Points</b>
Financial Condition (FASS)	<b>25 Points</b>
Management Operations (MASS)	<b>25 Points</b>
Capital Fund Program (CFP)	<b>10 Points</b>
<b>Maximum Points</b>	<b>100 Pts</b>

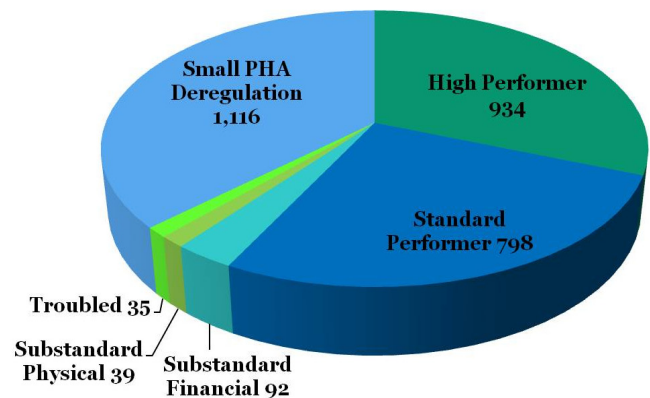
PHAS Designation Distribution CY2010  
of 3,014 PHAs:

57 PHAs with PHAS Designation Pending  
37% Small PHA Deregulation (No PHAS Score)

31% High Performer

26.5% Standard Performer

5.5% Substandard Financial, Substandard Physical, or Troubled



PHAS Status Designation	Composite PHAS Score	Individual Indicator Score
<b>High Performer</b>	Overall PHAS score of 90% or higher	At least 60% of total points available in PASS(24), MASS(15), FASS(15) and 50% of the total points for CFP(5) and an overall score of 90% or greater
<b>Standard Performer</b>	Overall PHAS score of at least 60%	Not less than 60% of total points available in PASS(24), MASS(15), FASS(15) and 50% of the total points for CFP(5)
<b>Substandard Performer</b>	Overall PHAS score of at least 60%	Less than 60% in one or more of the PASS, FASS, or MASS indicators
<b>Troubled</b>	Less than 60% of the overall PHAS score	---
<b>Capital Fund Program (CFP) Troubled</b>	---	Less than 50% on CFP indicator

# PUBLIC HOUSING AUTHORITY RECOVERY & SUSTAINABILITY

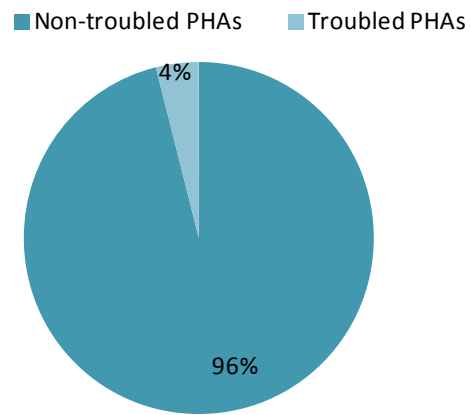
or PHARS initiative, is a new place-based approach launched in FY 2011 for recovering troubled and substandard PHAs designated under the Public Housing Assessment System (PHAS).

Only 4% of PHAs are troubled and most are substandard financially. The previous process focused on the entire range of issues at a PHA by giving them all equal weight while PHARS is tailored to the needs of the PHA and focuses on the systemic financial management and governance issues most significant to performance.

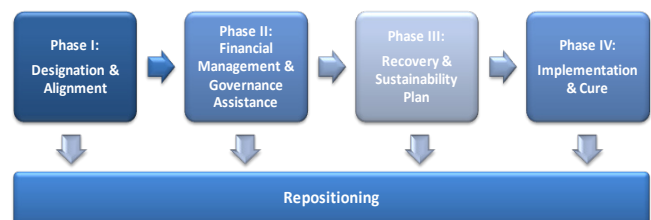
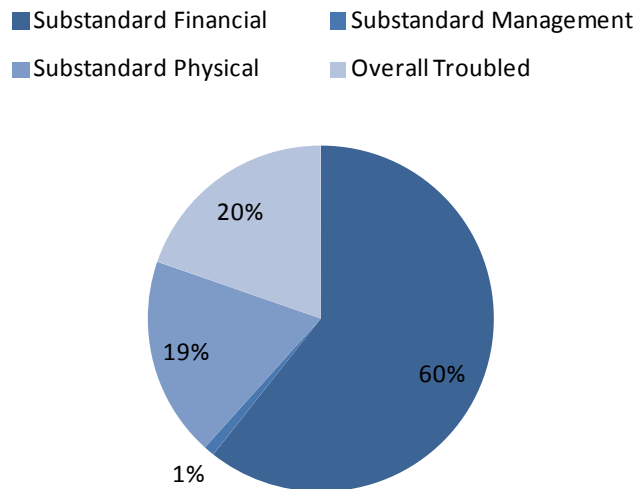
PHARS is divided across four phases of recovery. During Phase I, PHARS focuses on tailoring the approach to each troubled or substandard PHA by assigning a team of subject matter experts from PIH, FPM and DEC field staff to implement the process and support recovery.

Once teams are established, in Phase II each team conducts a remote assessment of the PHA to examine as many financial and policy documents as possible without incurring expenses to the Department. If necessary, the team also travels on-site to interview

## Troubled Portfolio in Context during FFY 2011



## Average Substandard Designations during FFY 2011





PHA staff and Board members to further investigate and confirm the systemic causes identified in the remote review.

Once problems are identified through the assessments, in Phase III HUD works with the PHA, Board Members and local appointed officials to develop a Recovery Agreement and Action plan for recovery which is implemented during Phase IV.

The agreement represents a legally binding commitment with HUD to achieve measurable performance based outcomes timely. The agreements are enforceable by HUD, hold the appropriate local officials accountable for PHA performance and provide a concrete

roadmap for recovery. The initiative also allows flexibility for repositioning the PHA at any time as appropriate.

While it is still early in the process to demonstrate outcomes, HUD has made significant progress on the ground already. As the result of Board's meeting with PHARS teams, HUD has seen PHAs take measures to restructure the management operations before the Recovery Agreement with HUD is written.

At a Mississippi PHA for instance, the Board entered into a management contract with a nearby PHA and had 42 units previously vacant for over 12 months occupied within 30 days.

---

## PHARS Tools

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In FY 2011, the **PHARS Tracking Tool** was developed and field tested for use by field offices, regional teams, and PIH to assist in compiling, monitoring, and analyzing data on PHAs in the PHARS initiative. The tool allows for flexibility in addressing issues with each PHA while also ensuring consistent implementation of the PHARS process nationwide. This comprehensive tool creates an administrative record and provides up-to-date information on the recovery process for each PHA in PHARS. It also links to other analytical tools to assist in diagnostic assessments. This tool will inform decision-making at the local, regional, and national levels to reduce the number of troubled PHAs over time.

The **Peer-to-Peer (P2P) Tool** was developed and piloted in FY 2011 to support PHARS. The tool compares financially troubled PHAs with an average of their peers of the same size and location by Financial Data Schedule line items for revenue and expenses. P2P provides for diagnostics, consultation, and self-correction, allowing PHAs to have more ownership of their operating problems and solutions for improved financial health. Actions taken by PHAs include reducing salaries and employee benefits to comparable levels, renegotiating contracts and service agreements, increasing minimum or flat rents, and reducing overhead.

# TRANSLATIONS

---

*where we were*

*where we are*

**A**

FY2010



**B**

FY2011

---

91,980

more families were housed  
through PIH from FY 2009 to FY  
2011

83%

decrease in average days for NOFA  
processing from budget passage to  
posting

2

MTW PHAs were added

**PHAS Interim Rule**  
was published

140

troubled, substandard, or near-  
troubled PHAs were engaged in  
PHARS

---

**DELIVERING**

# OF IDEAS

*where we are*

*where we will be*

**B**

FY2011



**C**

FY2012

3,180

more families will be housed  
through PIH by the end of FY  
2012

For **90%** of programs that issue  
NOFAs, obligate **100%** of those  
funds within **180 days** of budget  
passage NOFA lifecycle

4

MTW PHAs will be added

≈**3,000** PHAs will be  
assessed

**90%** of scores will be published

Reduce the number of troubled  
PHAs from **124** to **100**

# REAL WORLD RESULTS

# TRANSFORMATIONS

---

*trans·for·ma·tion, noun, \,tran(t)s-fər-'mā-shən, -fór-\*

*1: an act, process, or instance of transforming or being transformed: as*

*a : a thorough or dramatic change in form or appearance*

*b : a metamorphosis during the life cycle of an animal*

---

Transformations are profound and drastic changes that alter the very nature of a thing; they modify not only superficial characteristics but its very substance.

While it is possible for transformations to happen overnight and it is tempting in our on-demand, real-time, up-to-the-minute culture to expect radical change in an instant, we at PIH realize that lasting and sustainable change takes time.

We are investing in long-term, long-range processes that **move** from the present into the future following a trajectory, so that the change can accumulate over time.

We seek to **move** communities to transform with the truest definition of the word: sustainable and lasting.

# OF COMMUNITIES

---

# PRODUCING SUSTAINABLE FUTURES

**ARRA Overview.....40**

**Greening Communities**



ARRA-CF.....42  
 King County.....44  
 Greening efforts.....46

**119,965**  
 units like those found in  
 King County green  
 retro-fitted

**Conserving Communities**



ARRA-ONAP.....48  
 Coeur d'Alene.....50  
 IHBG.....52

**546**  
 tribes like  
 Coeur d'Alene assisted

**Revitalizing Communities**



New Orleans.....54  
 CN.....56

**5**  
 communities like  
 New Orleans on the road  
 to transformation



# AMERICAN RECOVERY AND REINVESTMENT ACT

The American Recovery and Reinvestment Act, or ARRA, was signed by President Obama in February 2009, investing \$13.6 billion in HUD programs. The Office of Public and Indian Housing received \$4.52 billion to rehabilitate, retrofit, and develop public housing units in order to build sustainable communities.

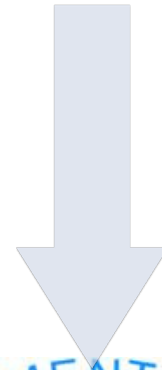
\$4 billion went to PIH's Capital Fund and \$520 million went to PIH's Office of Native American Programs (ONAP).

Of the \$4 billion allocated to the Capital Fund, \$2.985 billion (\$3 billion minus \$15 million set aside for implementation costs, as stipulated under ARRA) went to PHAs in the form of Capital Fund formula grants. These grants were allocated to more than 3,100 PHAs across the U.S. within eight days after ARRA was signed into law. That funding was put to work to improve public housing and create safer, more livable environments for lower income residents.

\$995 million (\$1 billion minus \$5 million set aside for implementation costs) were dispersed in the Capital Fund Recovery Competition (CFRC) grants.

ARRA funds were to be distributed over a three-year period: 100% of funds were obligated by the end of the first year; 60% of funds were expended by the end of the second year; and 100% of funds must be expended by the end of the third year.

ARRA provided a powerful stimulus to the economy through job creation and transforms the Public Housing program for the future.



**\$787** BILLION  
ARRA funds to America

1.73%

**\$13.6** BILLION  
ARRA funds to HUD

33.24%

**\$4.52** BILLION  
ARRA funds to PIH

0.57%

88.5%

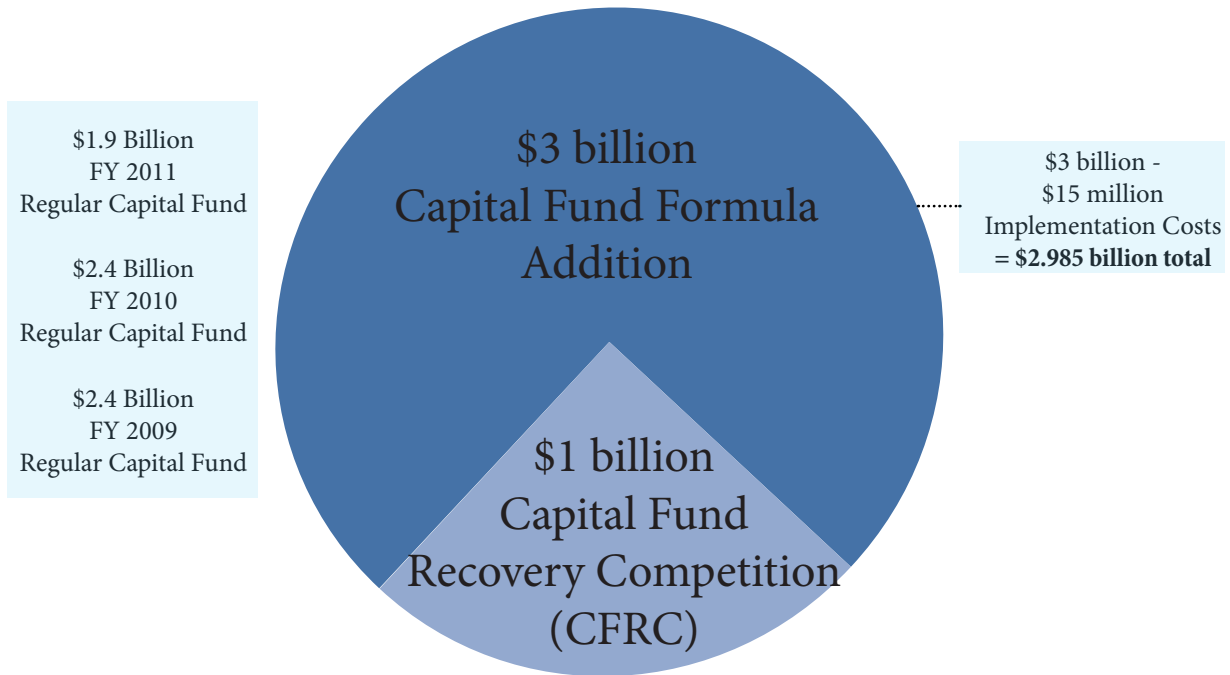
11.5%

**\$4**  
BILLION  
PIH ARRA funds  
to Capital Fund

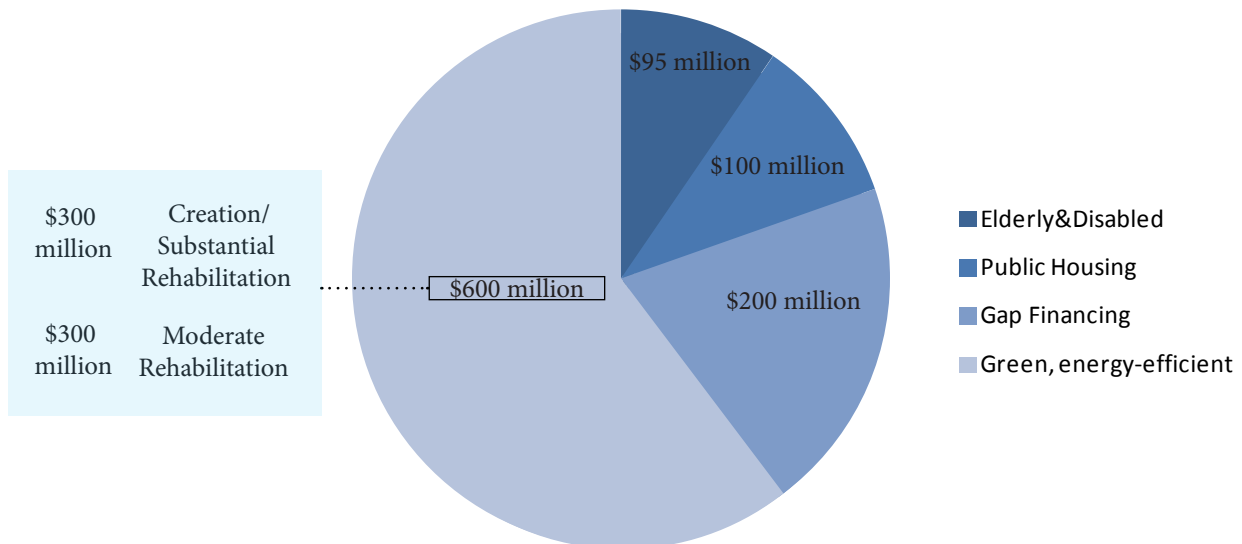
**\$520**  
MILLION  
PIH ARRA funds  
to Native American  
Programs

# \$ 4<sup>B</sup> BILLION

ARRA funds to Public Housing Capital Fund



**\$1 BILLION-5 MILLION IMPLEMENTATION COSTS = \$995 MILLION CFRC GRANTS**

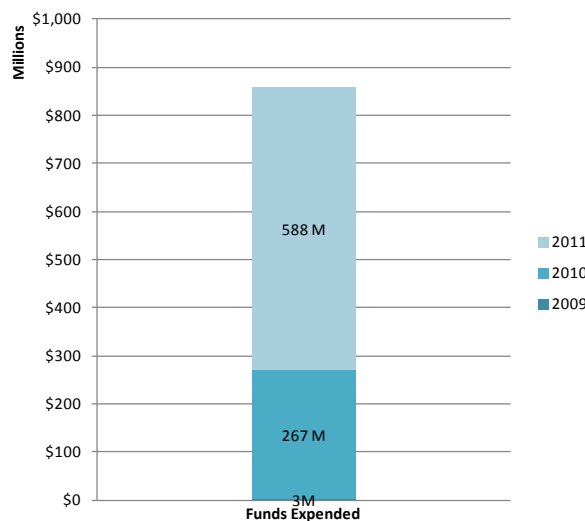


The Capital Fund program provides funds annually via a formula to approximately 3,200 public housing agencies (PHAs) across the country. PHAs may use Capital Fund grants for development, financing, modernization, and management improvements for public housing in their communities. This funding can be used to make large-scale improvements such as new roofs and for the replacement of plumbing and electrical systems to increase energy efficiency.

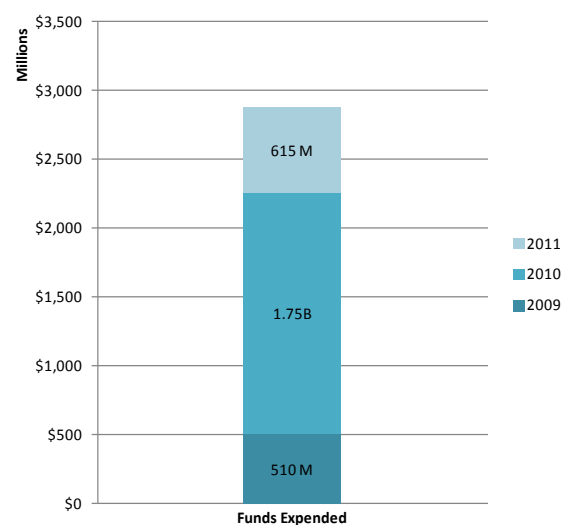
The ARRA Capital Fund Competitive Grants transformed the Public Housing Program by providing funding to the following four categories:

<p><b>Improvements Addressing the Needs of the Elderly and/or Persons with Disabilities:</b></p> <p>\$95 million was awarded to improve public housing units and create community facilities for the delivery of supportive services to this vulnerable population.</p>	<p><b>Public Housing Transformation:</b></p> <p>\$100 million was awarded to transform public housing developments that are distressed and a blighting influence on the surrounding community into newly built or renovated developments.</p>	<p><b>Gap Financing for Developments that are Stalled Due to Financing Issues:</b></p> <p>\$200 million was awarded to allow PHAs to develop or renovate public housing developments stalled due to lack of resources.</p>	<p><b>Creation of Energy Efficient, Green Communities:</b></p> <p>\$600 million was awarded for public housing agencies to create more energy efficient public housing units. There were two options within this category: 1) substantial rehabilitation or new construction and 2) moderate rehabilitation.</p>
---	---	--	--

ARRA-CAPITAL FUND COMPETITIVE GRANTS EXPENDED\*



ARRA-CAPITAL FUND FORMULA GRANTS EXPENDED\*



\*2011 funds projected, ARRA Formula Funds were awarded in March 2009 and ARRA Competitive grants were awarded in September 2009.

# King County, Washington



In the summer of 2011, King County Housing Authority (KCHA) completed the construction of 24 additional public housing units called Sixth Place Apartments in Greenbridge, a Three-Star Built Green™ planned community.

A 213-panel solar photovoltaic array was installed on the units. The system, placed on the roofs of nine buildings, is the largest residential solar array in the state.

The project was initially designed to be solar-ready without panels because of cost constraints; however, pricing for the entire project came in lower than expected and installation of the system became feasible. The solar installation cost \$500,000, with \$375,000 coming

from ARRA funds and the remaining \$125,000 from federal solar tax credits.

The solar panels generate 52,558 kilowatt hours per year. Excess power generation will return to the electric grid.

Aside from the solar panels, other energy efficiency strategies were used. Walls, roofs, and windows have a higher insulation value than code requirements. Units also have Built Smart lighting, Energy Star appliances, water-saving fixtures, and solar-powered attic fans to cool units in the summer, and natural light tubes.

The Sixth Place project employed approximately 300 workers. Four new jobs were created by the solar project.



# Greening Communities



Southridge House, a KCHA 80-unit housing complex for seniors and people with disabilities, built in 1970, was in need of major building envelope work. Moisture had seeped from the brick exterior into the building structure, causing corrosion.

To preserve the integrity of the building, the exterior was sealed with a weather-resistant barrier and wrapped with a layer of rigid insulation, which was then covered with fiber cement siding as part of a rain screen system.

The installation of new energy-efficient windows completed the improvements to the building envelope. The new façade will extend the lifespan of the building and provide a more modern and attractive face to the surrounding community.

This project not only preserved a vital affordable housing resource, but created upwards of 40 jobs as at least 6 contracting companies were employed.

The \$2.1 million retrofit came from a \$1.485 million ARRA formula grant and \$664,631 in Capital Funds.



# CREATION OF GREEN, ENERGY-EFFICIENT COMMUNITIES

ARRA funds, like the one that allowed King County HA to install solar panels at Sixth Place units and install energy-efficient windows at Southridge House, were crucial in greening efforts.

Roughly two thirds of the ARRA Capital Fund Competition Grants--\$600 million--were specifically designated for the creation of green, energy-efficient communities through substantial rehabilitation or new construction of public housing developments.

Activities that were funded include, but are not limited to, development of connections to neighborhoods and green space; site improvements that provide surface water management techniques that capture, retain, infiltrate and/or harvest rainfall; water conservation through the use of water-conserving appliances; energy efficiency that meets Energy Star standards; and use of renewable energy resources.

Buildings now contribute 40 percent of our nation's carbon emissions, and energy bills represent a large proportion of total housing costs. Upgrading a home to meet ENERGY STAR requirements can reduce 4,500 pounds of greenhouse gases per year and save between \$200 and \$400 per year on utility bills.

HUD-PIH's investment in energy and green retrofits will reduce energy costs, generate resident and housing authority energy savings, and reduce greenhouse gas emissions attributable to energy consumption. Reductions will benefit HUD, PHAs/landlords, and tenants in the present and the future.



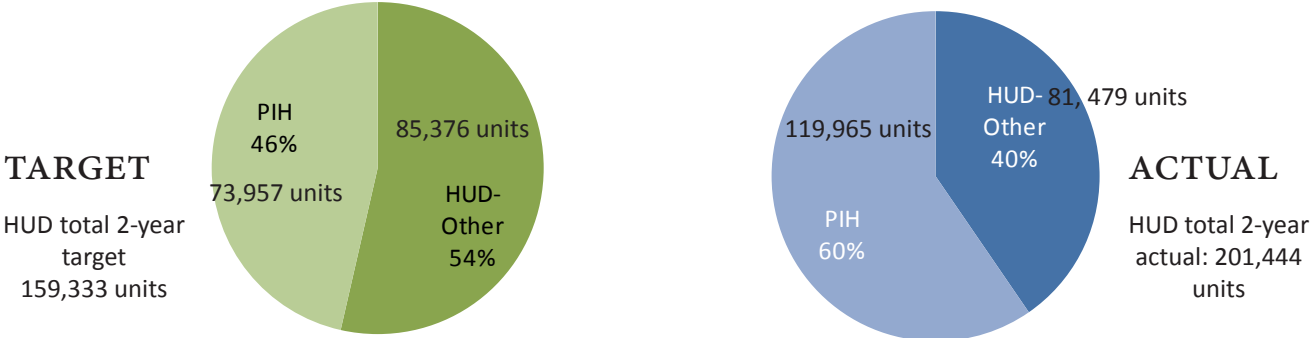
**From the  
White House  
to**

**Green Homes**

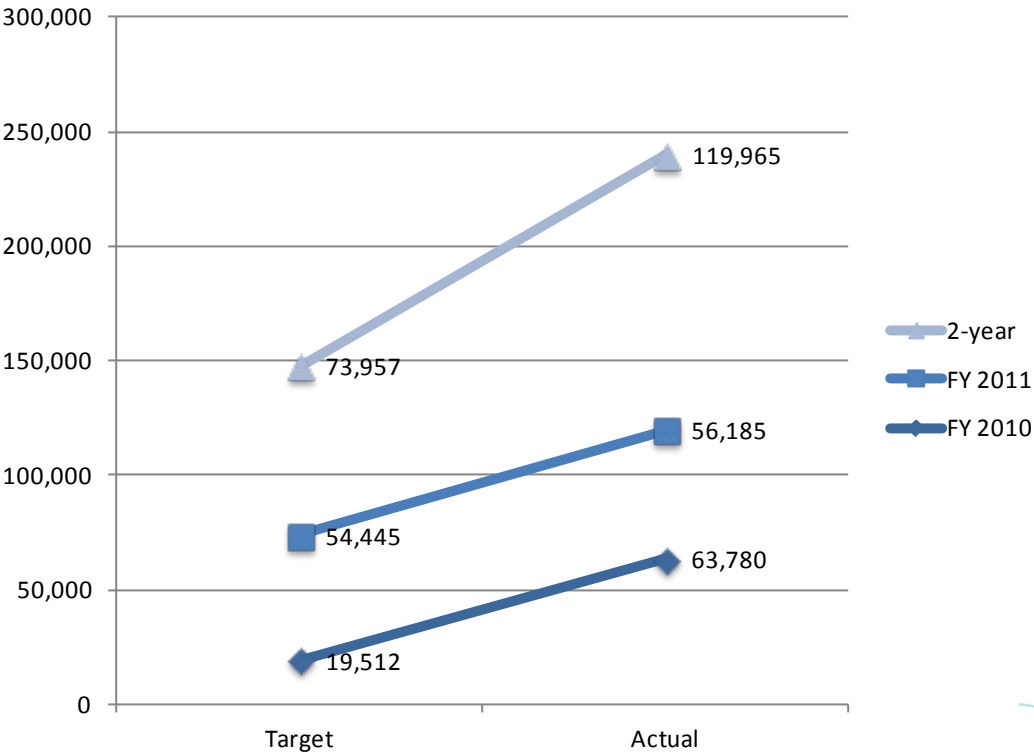


# 162.2%

OF 2 YEAR TARGET GOAL COMPLETED  
TOTAL FOR PIH (FY2010-2011)



## NUMBER OF COST-EFFECTIVE ENERGY & GREEN RETROFITS OF PUBLIC, ASSISTED, & OTHER HUD-SUPPORTED HOMES COMPLETED BY PIH



**\$520 MILLION**  
ARRA funds to Office of Native American Programs (ONAP)

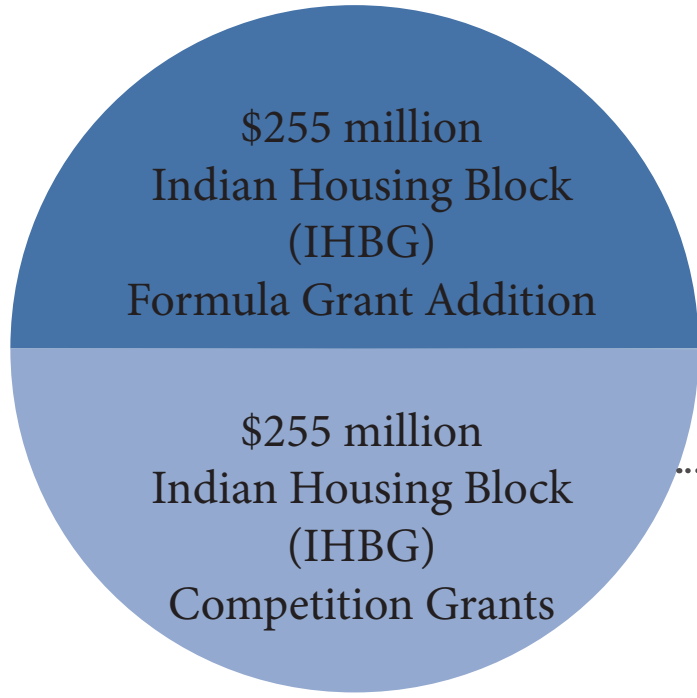
**-\$10 MILLION** Indian Community Development Block Grants (ICDBG)

**\$510 MILLION**  
Indian Housing Block Grants

\$650.406 Million  
FY 2011  
Regular Formula IHBG

\$694.370 Million  
FY 2010  
Regular Formula IHBG

\$631.025 Million  
FY 2009  
Regular Formula IHBG



2.0%

**-\$10.2 MILLION**  
Native Hawaiian  
Housing Block Grant  
(NHHBG)

\$255 million - \$2.55 million Implementation Costs - \$10.2 million Native Hawaiian Housing Block Grant

**= \$242,250,000 total for Indian Housing Block (IHBG) Competition Grants**

# ARRA-ONAP Expenditures

During fiscal year 2009, Native American communities received an additional \$520 million in assistance from the American Reinvestment and Recovery Act of 2009, including \$10 million in Indian Community Development Block Grant (ICDBG) funds.

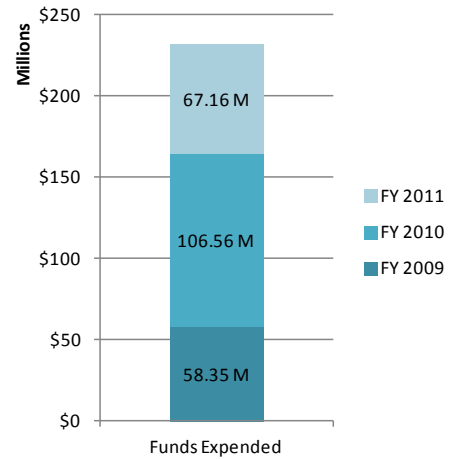
In 2009, 351 Indian Housing Block Grant recipients, representing 533 tribes, shared about \$251.9 million in Recovery Act funds allocated through the program formula. After funding the Native Hawaiian Housing Block Grant program at \$10.2 million, 104 IHBG recipients (out of 237 applicants) received the balance of funding through a competitive process.

These funds were allocated specifically for the purpose of new construction, acquisition, and rehabilitation including energy efficiency and conservation, and infrastructure development.

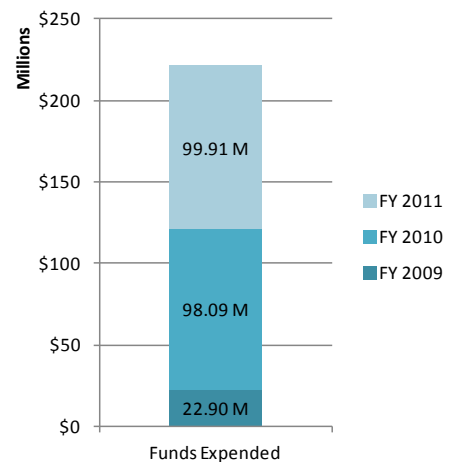
By September 30, 2010, HUD had distributed and grantees obligated approximately 99 percent of the Recovery Act funds. By August 2011, about 90 percent of the funds had been disbursed. This expenditure rate was well ahead of the statutory deadlines. By September 30, 2012, it is expected that all Recovery Act funds will have been disbursed and expended.

**In FY2011, approximately 1,880 affordable housing units were developed, more than 27,500 units were rehabilitated, and more than 4,600 units were made energy efficient with Recovery Act funds.**

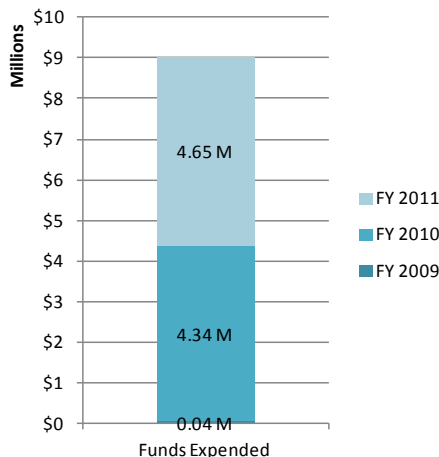
ARRA-IHBG FORMULA



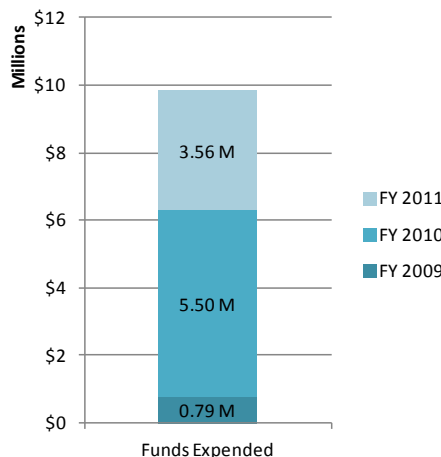
ARRA-IHBG COMPETITIVE



ARRA-ICDBG



ARRA-NHHBG



## Expenditure Rates

**ARRA-IHBG Formula**  
92.15%

**ARRA-IHBG Competitive**  
90.14%

**ARRA-ICDBG**  
90.39%

**ARRA-NHHBG**  
96.57%



# Coeur d'Alene, Idaho



On September 21, 2011, the Coeur d'Alene Tribe celebrated the grand opening of The Gathering Place, a 3-building, 18-unit affordable, sustainable housing complex built on a 2-acre site once used as Tribal headquarters, about 5 miles west of the community of Plummer, Idaho.

The \$4 million project total was funded by the Tribe and HUD under the Native American Housing Assistance and Self-Determination Act (NAHASDA) and ARRA. The tribe received \$2 million in Competitive ARRA-NAHBG funds and about \$482,000 in Formula ARRA-NAHBG funds.

The Coeur d'Alene – or Schitsu'umsh – people have lived on the land for thou-

sands of years, placed there, they believe by the Creator for the purposes of stewardship of the lake and the surrounding area.

The tribe worked with the Bioregional Planning and Community Design Program at the University of Idaho to conceptualize the sustainable project that reconciled their current needs with more traditional and sacred practices for developing and caring for their homelands. They wanted construction materials that would be durable, easy-to-maintain, energy-efficient, natural, local and renewable.

They found it in 6,000 bales of straw. Stacked and covered in stucco, straw is five times more resistant to heat trans-

# Conserving Communities



fer than brick veneer. With an insulation factor up to R-50 rating, those who live in these houses of straw will stay warm on the coldest of days and cool on the hottest of days.

“In all our research, straw bales are unsurpassed in terms of energy efficiency,” Gavin Tenold, owner of Pura Vida Homes, that helped build The Gathering Place. “The number one benefit of a straw bale wall system is how this thermal mass maintains a constant interior temperature.”



The Gathering Place is one of the largest sustainably-built, low-income housing developments in the Northwest, and is thought to be the largest straw bale project in the country.

Every new house is good news for the tribe. Prior to The Gathering Place, there had been a critical shortage of housing on the Coeur d’Alene Reservation. When beginning construction at The Gathering Place, 70 people were already on the waiting list for tribal housing. The next phase of construction will provide housing for approximately 20 more low-to moderate-income tribal members currently on tribal housing waiting lists.




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“Changes on the reservation are monumental,”

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said Rosanna Allen, executive director of housing on the reservation. “We have a lot of pride in the work that has been done.”

# INDIAN HOUSING BLOCK GRANTS

or IHBG, like the one that the **Coeur d'Alene tribe received** as part of the additional funding provided by ARRA, remains the single largest source of funding for affordable housing in Indian Country, where the need for safe, decent, affordable housing is severe.

Native Americans experience some of the most severe socioeconomic conditions in the United States. Poverty and its effects are pervasive, with more than a quarter of all Native Americans living in poverty and unemployment rates reaching 80 percent on some reservations.

The IHBG is an annual formula grant to provide housing and housing-related assistance to low-income American Indians and Alaska Natives who live on Indian reservations or in other traditional Indian areas. The actual IHBG recipients are eligible tribal governments or their designated housing entities, which deliver the housing assistance to families in need. IHBG recipients have the flexibility to design and implement appropriate, place-based housing programs, according to the local needs and customs. IHBG recipients often leverage their grant funds as catalysts for further community and economic development.

In FY2011, with a population of 1.5 million American Indians and Alaska Natives in IHBG formula areas, there were more than 100,000 overcrowded or substandard households and 59,177 households that were cost-burdened; in some reservations, up to 20 people can live in a single family home. As a result, every unit that is built is crucial to maintaining Indian communities.

In FY2011, IHBG recipients **like the Coeur d'Alene tribe, built, acquired, and rehabilitated approximately 5,500 affordable housing units for low-income Native Americans.**

“[W]e have made important steps towards working as partners with Native Americans to build sustainable and healthy native communities. [ARRA] continues to impact the lives of American Indians and Alaska natives, including through important projects to improve, rebuild, and renovate schools so our children can get the education and skills they will need to compete in the global economy.”

**President Barack Obama**

IHBGs are authorized by the **Native American Housing Assistance and Self-Determination Act**, which also authorizes the **Native Hawaiian Housing Block Grant**.

the **NHHBG** provide affordable housing opportunities and activities to low-income native Hawaiians eligible to reside on the Hawaiian Home Lands.

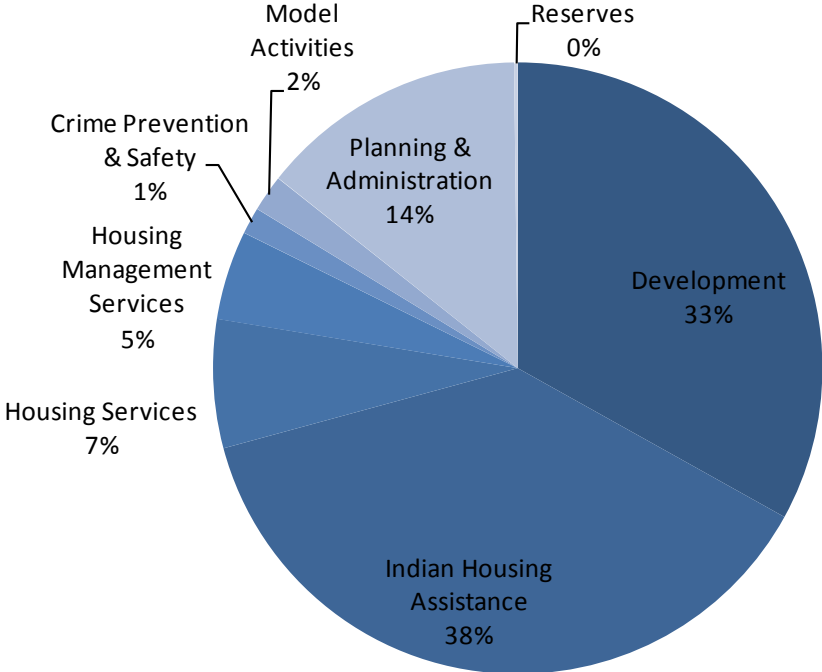
**NAHASDA** recognizes the right of tribal self-governance and the unique relationship between the Federal Government and the governments of Indian tribes, established by long-standing treaties, court decisions, statutes, Executive Orders, and the United States Constitution.

NAHASDA requires HUD to engage in formal negotiated rulemaking with IHBG recipients to periodically review and issue program regulations.

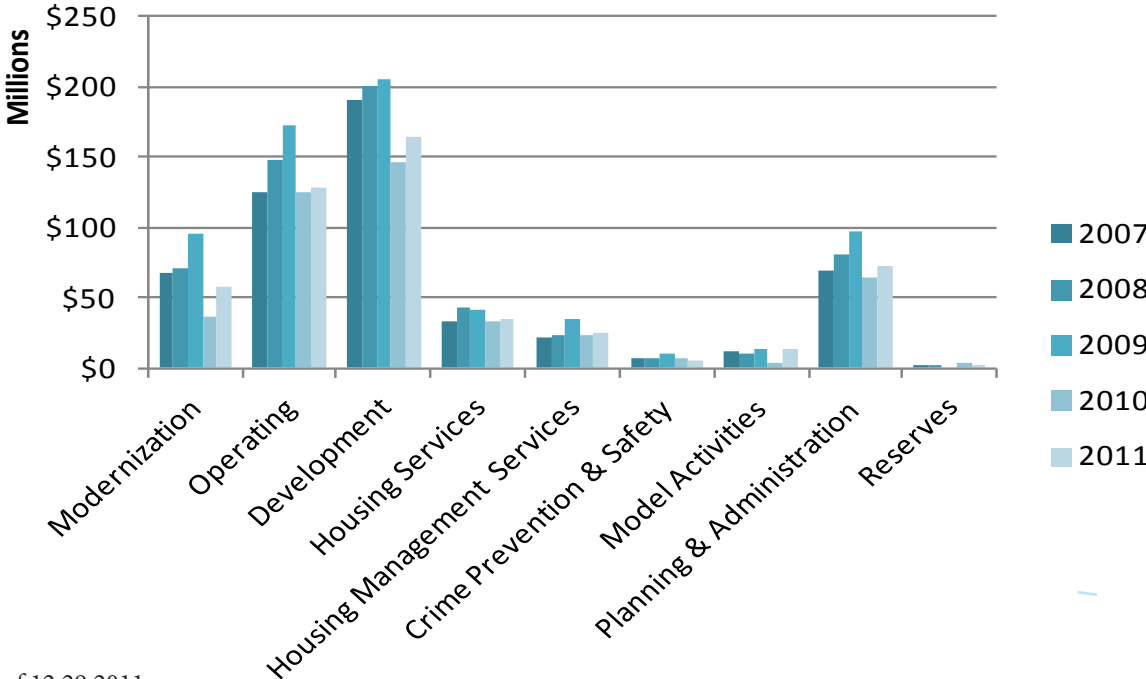
The foundation of HUD's partnership with Federally recognized tribes is its government-to-government consultation policy, which includes a commitment to engage in formal negotiated rulemaking when appropriate, as when developing Federal policies that have tribal implications.



## Indian Housing Block Grant Activities Averages FY 2007-FY2011\*

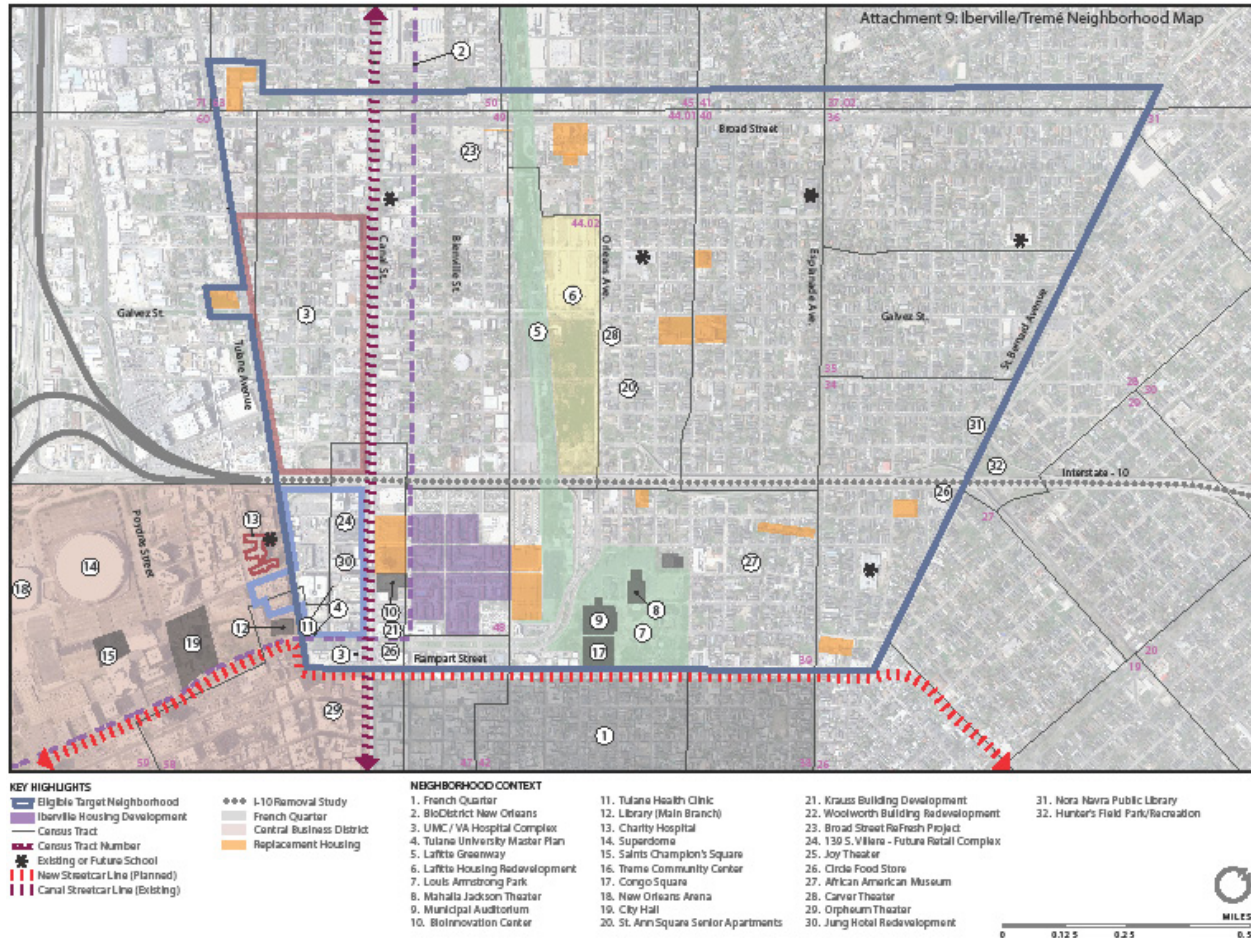


## Indian Housing Block Grant Activities FY 2007-FY2011\*



\* As of 12.29.2011

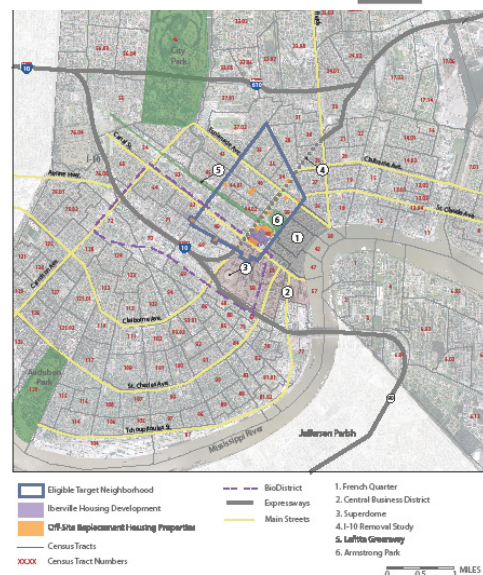
# Iberville/Tremé, New Orleans



The Housing Authority of New Orleans (HANO) and the City of New Orleans were awarded a Choice Neighborhoods Implementation Grant of \$30.5 million to transform the 821-unit distressed Iberville public housing development.

The historic Iberville/Tremé neighborhood located adjacent to the French Quarter and Central Business District, was originally designed in 1940 as a superblock of 74 two- and three-story brick buildings.

The new development will consist of 913 units on-





# Revitalizing Communities

site, of which 304 will be public housing available to current residents of Iberville. The remaining 609 onsite units will be split evenly between market rate and low income housing tax credit units. Twenty-two of the 52 existing buildings will be reconfigured and renovated.

Additionally, 1,518 rental units will be created within the neighborhood, of which 517 will be public housing or project-based Section 8. HANO will also develop 15 additional offsite buildings into homeownership units. The transformation plan's projected cost is \$662 million.

HANO has also partnered with area nonprofit organizations, local educational institutions, and city government entities to provide educational, health, and safety supports to the community.

The grant will contribute to revitalizing the Iberville/Tremé neighborhood. The neighborhood plan, projected to cost \$1.5 billion, includes new and refurbished schools, street car lines, a rejuvenated theater district, a new library, two new hospitals, and retail development. It also includes the Claiborne Corridor Study--which examines infrastructure and streetscape improvements-

and the newly-reopened Armstrong Park, and the creation of the Lafitte Greenway, a 3.1-mile linear park that will stretch from a trailhead at the redeveloped Iberville through the core of the neighborhood to City Park. The grant will also provide funding to support the cultural assets of the community.



# CHOICE NEIGHBORHOODS

is a ground-breaking initiative that will implement multi-dimensional interventions in communities and aims to create strong, healthy, and safe communities by transforming distressed neighborhoods into sustainable mixed-income communities with affordable, lower cost rental housing. PIH administers the program in coordination with the Office of Multifamily Housing.

In many communities, affordable rental housing cannot exist without public support; Choice Neighborhoods aims to support local leaders to attract the private investment necessary for neighborhood transformation.

Choice Neighborhoods is composed of two types of competitive grants: Planning and Implementation.

Planning Grants enable communities to build capacity in order to undertake a successful neighborhood transformation, as the Federal support provides an incentive for the local community to take critical steps for viable neighborhood transformation. These grants support the creation of a comprehensive “Transformation Plan,” or road map, for transforming distressed public and/or assisted housing within a community.

Implementation Grants, like the one awarded to New Orleans, provide support for communities that have developed comprehensive local plans and are ready for implementation.

In FY 2011, HUD awarded 5 Implementation Grants totaling \$122.27 million and 17 Planning Grants totaling \$4 million from FY2010 appropriations. The Implementation Grant awardees have obtained \$1.6 billion in leveraged commitments from community stakeholders and the Planning Grant awardees have obtained \$7.3 million in funding leverage. PIH also had 13 Planning Grants totaling \$3.6 million from FY2011 appropriations that were announced in January 2012.

“We’ll win the future only if we can ensure that people in every community--even those living in our most troubled neighborhoods--have access to the American Dream... HUD’s Choice Neighborhoods grants... [have] brought local communities an innovative new tool to ensure that all families can access the quality affordable housing, safe streets, and good schools they need in the 21st century economy.”

**President Barack Obama**

HUD’s Choice Neighborhoods Initiative is a part of a larger initiative: **The Neighborhood Revitalization Initiative**

and builds on the success of other HUD revitalization initiatives, namely, HUD’S **HOPE VI Program.**

The HOPE VI program is also a neighborhood revitalization program targeting distressed housing and is open only to PHAs.

CN, by contrast, aims to address neighborhood-level problems related to distressed housing such as education and transportation; furthermore, it is open to applications from a range of community organizations that apply jointly with a public entity.

The Neighborhood Revitalization Initiative is a White House-led interagency collaborative that executes the administration’s place-based strategy, which emphasizes policies that are customized to local community needs.

Other collaborative Federal Agencies that have Neighborhood Revitalization Programs focusing on their area of expertise are the Departments of Education, Justice, Treasury, and Health and Human Services.

# 5 Implementation grants awarded



Seattle  
**\$10.2**  
 MILLION



Boston  
**\$20.5**  
 MILLION



New Orleans  
**\$30.5**  
 MILLION



Chicago  
**\$30.5**  
 MILLION



San Francisco  
**\$30.5**  
 MILLION

# 17 Planning grants awarded

**\$250k**

- Albany, Georgia
- Atlanta, Georgia
- Buffalo, New York
- Jersey City, New Jersey
- Kansas City, Missouri
- Memphis, Tennessee
- Norfolk, Virginia
- Norwalk, Connecticut
- Philadelphia, Pennsylvania
- Providence, Rhode Island
- San Antonio, Texas
- Shreveport, Louisiana
- Tulsa, Oklahoma

**\$213k**

Baltimore, Maryland

**\$200k**

Wilmington, North Carolina

**\$170k**

Salisbury, North Carolina

**\$167k**

Jackson, Tennessee

# TRANSFORMATIONS

*where we were*

*where we are*

**A**

FY2010

**B**

FY2011

119,965  
units were green retro-  
fitted

546  
tribes were assisted  
through ARRA funds

5  
Choice Neighborhoods  
Implementation Grants  
were awarded

17  
Choice Neighborhoods  
Planning Grants  
were awarded

**P R O D U C I N G**

# OF COMMUNITIES

*where we are*

*where we will be*

**B**

FY2011



**C**

FY2012

44,779

more units will be green  
retro-fitted

680

new rental units will be  
developed under the IHBG  
program

≈\$110 million

in Choice Neighborhoods  
Implementation Grants  
will be processed in order  
to be awarded by the end  
of Q1 of FY2013

≈\$5 million

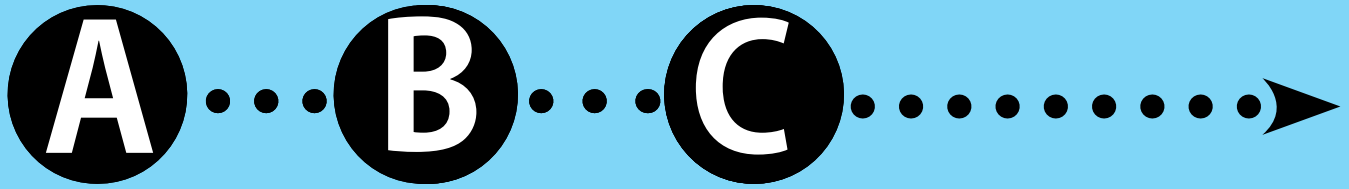
in Choice Neighborhoods  
Planning Grants will be  
awarded

# SUSTAINABLE FUTURES



# PIH Moved

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In FY 2011, the Office of Public and Indian Housing strove to achieve “stretch goals”—targets impossible to reach without fundamental change. Changes at the margins would not **move** us from Point A to Point B—to effect so much real change demanded transformations in our interactions, processes, and vision.

PIH staff, together with colleagues across the federal government and in communities nationwide, rose to the challenge. In FY 2011, PIH was in **motion**.

As a result, PIH supported more families through transitions, translated more ideas into real-world results, and transformed the futures of more communities in more fundamental ways than we ever thought possible. As we look to the future, we see new challenges and opportunities—and new catalysts for change.

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PEOPLE  
PROGRAMS  
PLACES

TRANSITIONS  
TRANSLATIONS  
TRANSFORMATIONS

# PIH LEADERSHIP

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Sandra B. Henriquez, *Assistant Secretary*

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## PHOTOGRAPHY CREDITS

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*Photos of Coeur d'Alene: Tom Carney, Northwest Office of Native American Programs*

*Photos of Treme/Iberville: courtesy of the Housing Authority of New Orleans*

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**THANK YOU TO**

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*Silvia*

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**UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
OFFICE OF PUBLIC AND INDIAN HOUSING**

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