



U.S. Department of Housing and Urban Development

ANNUAL PERFORMANCE

*Report FY 2014
Plan FY 2016*

DEPARTMENT
OF
HOUSING
AND
URBAN
DEVELOPMENT

**Our mission is to create strong,
sustainable, inclusive communities and
quality, affordable homes for all.**



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The background of the page is a grayscale photograph of a modern building. The building features a prominent grid of windows and a curved, overhanging walkway or balcony structure. The overall aesthetic is clean and architectural.

ABOUT THIS REPORT

About This Report

This Fiscal Year (FY) 2014 Annual Performance Report (APR) and FY 2016 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. The report allows readers to assess HUD's FY 2014 performance, revisions to goals for FY 2015, and plans for FY 2016 relative to its mission and stewardship of public resources. This report consists of several important sections:

Agency and Mission

This section contains HUD's mission statements, its vision, organizational structure, and scope of responsibilities, as well as an introductory message from the HUD Secretary, Julián Castro, in which he highlights key FY 2014 program accomplishments and policy priorities going forward.

Strategic Goals and Strategic Objectives

This section contains HUD's strategic framework, as established in the HUD Strategic Plan FY 2014-2018. It is comprised of four overarching strategic goals and 12 strategic objectives which help frame HUD's discussion of its performance targets and associated priorities. The majority of this APP-APR is organized by strategic objective. Strategic objectives are intended to reflect the outcome or management impact an agency is trying to achieve. Each objective will be tracked annually through a specific set of performance indicators. In addition, HUD's strategic framework contains eight management objectives that are intended to improve departmental operations.

Please note that Agency Priority Goals (or APGs) are denoted by a 🌟 throughout this document. Each agency is responsible for identifying a limited number of performance goals that are high priorities over a two-year period. These APGs support improvements in near-term outcomes, customer service, or efficiencies, and advance progress toward longer-term, outcome-focused strategic goals and objectives in an agency's Strategic Plan. Thus, while strategic objectives are evaluated annually and focus on longer-term performance goals, Agency Priority Goals are evaluated quarterly and focus on near-term results.

For each strategic goal, we have included its associated strategic objectives, an overview of the problem(s) HUD is attempting to address through these objectives, strategies for achieving the objectives, goal leaders, major milestones, and performance indicators to track our progress. HUD's APGs were established in FY 2014 to cover a two-year performance period (FY 2014-2015). Thus, in this consolidated FY 2014 APR and FY 2016 APP, we present to readers a synopsis of our current progress toward the FY 2014-2015 APGs targets.

For most indicators, HUD has committed targets for FY 2014 and FY 2015 which will enable us to track our performance in the next two years. For some indicators, we are still gathering data to establish baselines and preparing to set targets in future years. These new metrics are indicated with the phrases "Establish Baseline" and "Target TBD" in the relevant tables. A third category of indicators, marked as "Tracking Only," provide information about program operations or external conditions but will generally not have targets. For these indicators, targets would be difficult to establish, would not provide meaningful indications of agency performance expectations, and/or could create unintended incentives for program staff and our partners.

Some of the performance indicators published in the FY13 APR and FY15 APP have been modified or removed by HUD program offices. Information regarding changes to previously published indicators is located 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



Figure 1: This sample strategic flow demonstrates how the strategic goals, strategic objectives, performance goals, and Agency Priority Goals should cascade from the Department's mission.

This final section 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 goals, and a section on data validation and verification. The Fiscal Year 2014 Agency Financial Report is Available on the Web at HUD.GOV.



The background of the page is a grayscale photograph of a modern building. The building features a prominent grid of windows and a curved, overhanging walkway or balcony structure. The overall aesthetic is clean and architectural.

SECTION ONE:

Agency and Mission

*Los Angeles, CA
Point-in-Time Count*



Message from Secretary Castro



I'm proud to present the U.S. Department of Housing and Urban Development's Fiscal Year 2014 Annual Performance Report (APR) and Fiscal Year 2016 Annual Performance Plan (APP).

In 2014, HUD reaffirmed its role as the Department of Opportunity. The work we did to help folks secure decent housing, revitalize communities, and strengthen the economy laid the foundation for millions of Americans to achieve their dreams. We also brought a renewed focus to HUD's operations, shaping a smarter, more efficient agency that focuses on bettering the lives of all Americans.

This report illustrates how we've created opportunity for folks across the country. Through the Opening Doors initiative, working with partners, we've helped reduce homelessness by nearly 10 percent since 2010, including a 33 percent decline in homelessness among veterans. HUD enhanced its place-based initiatives by engaging local leaders in a holistic fashion to advance opportunity in cities from coast-to-coast. HUD named seven new locations to receive technical advice and expertise through the Strong Cities, Strong Communities (SC2) initiative and oversaw the opening of the competition for a second round of Promise Zone designations.

We also strengthened the Federal Housing Administration (FHA) to preserve its decades-long mission of providing access to credit for families—of all income levels—who are creditworthy and ready to buy. FHA's Mutual Mortgage Insurance (MMI) Fund is back-in-the-black, now standing at \$4.8 billion thanks to aggressive policy actions that led to a 14 percent drop in delinquency rates and a 16 percent improvement in recovery rates from the previous year.

To better prepare for the challenges of climate change, HUD launched the National Disaster Resilience Competition which allows communities that have experienced natural disasters to compete for nearly \$1 billion in funding to help them rebuild and increase their resiliency for future extreme weather events.

And we're rebuilding the nation's public housing stock through our Rental Assistance Demonstration (RAD) by leveraging private investment. The first 57 RAD deals have raised \$437 million in private financing—a ratio of \$19 in private funding for every \$1 in public funding—for the renovation of 7,500 public housing units.

All around America, HUD is delivering help and hope to underserved communities. Our efforts have helped generate momentum in the housing market and the overall economy. Key economic housing trends—sales, starts, and equity—are all trending up. Our task now is to ensure that this prosperity is available to everyone.

I am able provide reasonable assurance regarding the reliability of the performance data in this report. The entire HUD organization is firmly committed to making 2015 a year of progress and opportunity for the people we serve, to better ensure a strong foundation to implement our fiscal year 2016 Annual Performance Plan. We will keep at it until we build a future strong enough for all to prosper.



Julián Castro
Secretary

HUD's mission is to create strong, sustainable, inclusive communities and quality, affordable homes for all.

Our vision is to improve lives and strengthen communities to deliver on America's dreams. Therefore, we pledge—

- ▶ **For our Residents:** We will improve lives by creating affordable homes in safe, healthy communities of opportunity, and by protecting the rights and affirming the values of a diverse society.
- ▶ **For our Partners:** We will be a flexible, reliable problem solver and source of innovation.
- ▶ **For our Employees:** We will be a great place to work, where employees are valued, mission driven, results oriented, innovative, and collaborative.
- ▶ **For the Public:** We will be a good neighbor, building inclusive and sustainable communities that create value and investing public money responsibly to deliver results that matter.

Introduction

This Fiscal Year (FY) 2014 Annual Performance Report (APR) and FY 2016 Annual Performance Plan (APP) for the U.S. Department of Housing and Urban Development (HUD) contains the Department's FY 2014 performance results, revisions to the FY 2015 goals originally published in the FY 2015 APP, and plans for FY 2016. This report reflects HUD's continuing commitment to inform the American people, the Congress, its partners and employees about the mission, goals, and work the Department seeks to accomplish, as well as the ways that HUD will measure performance and implement improvements in FY 2016.

HUD is a \$45.3 billion agency in which approximately eighty five percent of its total budget is needed solely to renew rental assistance to 5.5 million residents of HUD-subsidized housing, including 2.17 million households assisted with Housing Choice Vouchers, and to renew existing HUD grants to homeless assistance programs. Detailed data on 4.56¹ million tenants reveals that: 56 percent are elderly or disabled, 73.6 percent are extremely low-income (below 30 percent of area median income) and an additional 20 percent are very low-income (below 50 percent of area median income). The Department's programs are critical to addressing the structural gap between household incomes and housing prices and the persistent unaffordability of housing. HUD plays an important role in making housing affordable through its investments in rental vouchers, public and assisted housing, and HUD-funded efforts led by states and localities. These efforts recognize that ensuring a stable supply of affordable housing in safe and quality communities enables low-income families and individuals to live healthy and productive lives. HUD is also a vehicle for advancing sustainable and inclusive growth patterns, communities of choice, energy efficiency, and community and economic development, and for enforcing fair housing, strengthening the nation's mortgage market, as well as reducing homelessness.

In carrying out its work, HUD is committed to the following **core values**:

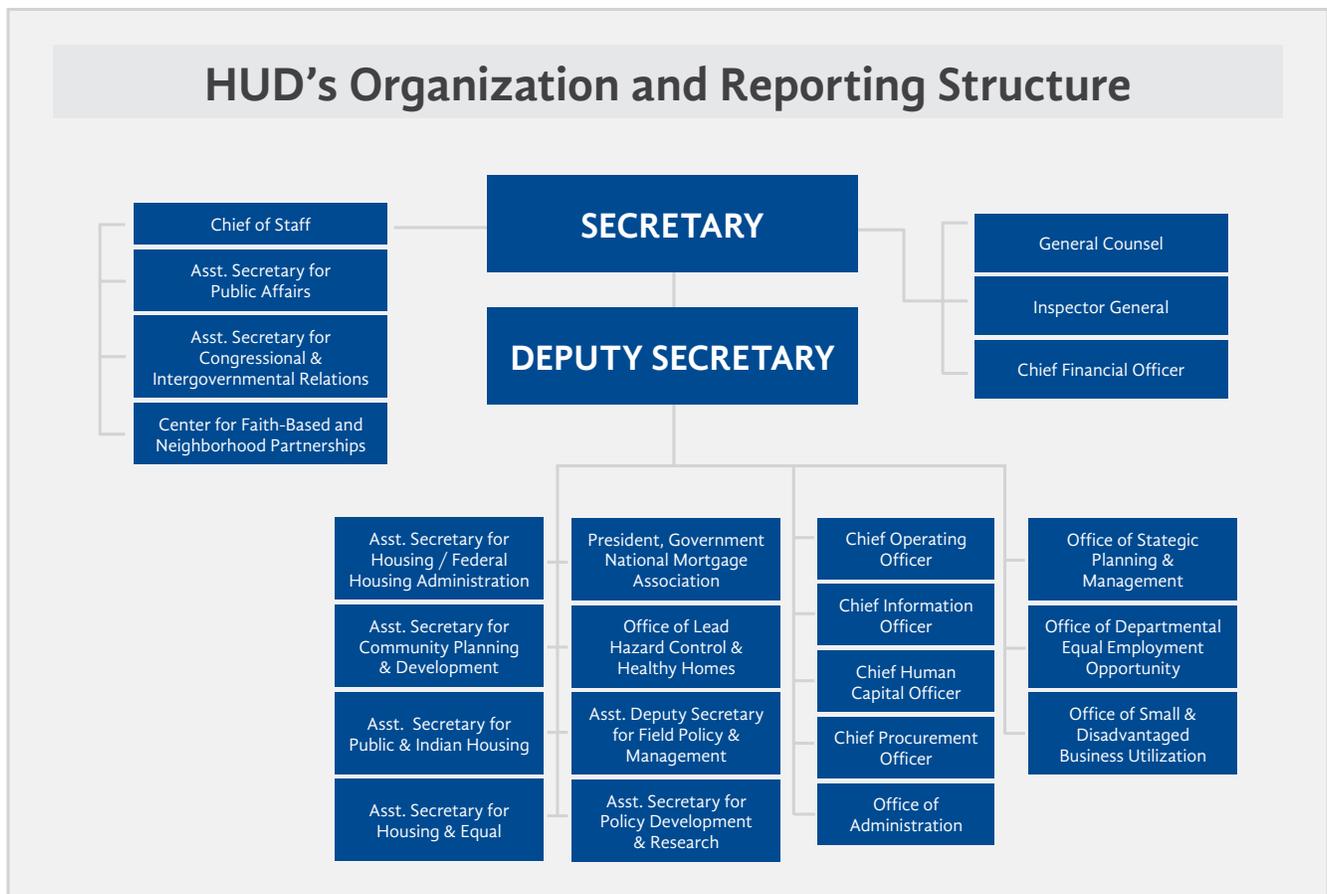
- ▶ **Accountability:** We individually and collectively take responsibility for our performance and conduct.
- ▶ **Efficiency and Effectiveness:** We will maximize our resources and efforts to continually improve the efficiency and effectiveness of our individual and collective performance. We strive for simplicity in our lines of authority and clarity in our lines of communication and to eliminate the red tape of bureaucracy. We support a productive work environment that balances high performance with the need for healthy personal and community life.
- ▶ **Fairness and Respect:** We value each other, demonstrate compassion for those we serve, and treat others the way we would like to be treated. In respecting others, we conduct our work and administer our programs with fairness and justice, and with a commitment to civil rights, inclusion, and diversity.
- ▶ **Integrity:** We approach each other, our stakeholders, and our work with honesty and the highest ethical standards.

¹ This number represents tenants for whom the Department has recently reported demographic data and should not be conflated with total tenants.

- ▶ **Teamwork:** We work together in a spirit of camaraderie, trust, and collaboration. We believe that by contributing our individual strengths we can accomplish more together than separately. We are open-minded, ready to adapt, and willing to embrace innovation and creativity when confronting challenges in our workplace.

Agency Structure

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



- ▶ [Learn more about HUD’s major organizational units and program offices.](#)
- ▶ [Learn more about HUD’s regions and field offices.](#)



“**T**hose experiencing homelessness aren't problems. They are people. And each of them has a story, whether it's the couple who went bankrupt during the Great Recession or the veteran who is having difficulty adjusting to life back home. They don't need a handout. They need housing.”

- HUD Secretary
Julián Castro

FY 2014 *by the Numbers*

56%

percent of FHA loan endorsements were for borrowers with a credit score under 680

81%

percent of FHA mortgages were for first-time home buyers

37,522

incremental increase in occupied affordable rental housing units to the approximately 5.4 million units of HUD affordable rental housing occupied at the end of 2013

9.7%

estimated decline in overall homelessness between 2010 and 2014, despite an extremely challenging economic climate

53,475

veterans who were homeless or at risk of homelessness and were provided with HUD-VA Supportive Housing

33%

estimated decline in homelessness among veterans between 2010 and 2014

16,088

people received remedies through Fair Housing Act enforcement work

76,025

new or retrofitted cost-effective housing units that were healthier, more energy-efficient, or met green building standards, with the support of HUD investments



Impact Veterans Family Housing Center Breaks Ground in Philadelphia



SECTION TWO:

Strategic Goals, Strategic Objectives, and Performance Indicators

HUD's FY 2014 – 2018 Strategic Framework

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

Strategic Goals

Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers

Meet the Need for Quality Affordable Rental Homes

Use Housing as a Platform to Improve Quality of Life

Build Strong, Resilient, and Inclusive Communities

Strategic Objectives

Establish a sustainable housing finance system that provides support during market disruptions, with a properly defined role for the U.S. Government.

Ensure sustainable investments in affordable rental housing.

End homelessness for Veterans, people experiencing chronic homelessness, families, youth and children.

Reduce housing discrimination, affirmatively further fair housing through HUD programs, and promote diverse, inclusive communities.

Ensure equal access to sustainable housing financing and achieve a more balanced housing market, particularly in underserved communities.

Preserve quality affordable rental housing, where it is needed most, by simplifying and aligning the delivery of rental housing programs.

Promote advancements in economic prosperity for residents of HUD-assisted housing.

Increase the health and safety of homes and embed comprehensive energy efficiency and healthy housing criteria across HUD programs.

Restore the Federal Housing Administration's financial health, while supporting the housing market recovery and access to mortgage financing.

Promote the health and housing stability of vulnerable populations.

Support the recovery of communities from disasters by promoting community resilience, developing state and local capacity, and ensuring a coordinated federal response that reduces risk and produces a more resilient built environment.

Strengthen communities' economic health, resilience and access to opportunity.

Management Objectives

1. Improve HUD's acquisitions performance through early collaborative planning and enhanced utilization of acquisition tools.
2. Reduce the time and complexity of the clearance process by establishing and enforcing clear protocols for drafting and reviewing documents placed in departmental clearance.
3. Promote a diverse and inclusive work environment that is free of discrimination and harassment by educating the workforce on the overall Equal Employment Opportunity (EEO) process and their EEO responsibilities as managers and employees of HUD.
4. Increase accuracy, speed, transparency, and accountability in financial management and budgeting for the agency.
5. Make the grants management process more efficient and effective by automating and streamlining processes, improving timeliness, and tracking performance.
6. Employ, develop, and foster a collaborative, high-performing workforce that is capable of continuing to deliver HUD's mission in a changing and uncertain future.
7. Make high-quality data available to those who need it, when they need it, where they need it, to support decision-making in furtherance of HUD's mission.
8. Reduce the cost of leased space, utilities, travel, and other related costs by adapting our business processes.



A grayscale photograph of a modern building with a grid of windows and a curved walkway. The building's facade is composed of a repeating pattern of rectangular windows, creating a strong geometric rhythm. A curved walkway or balcony structure is visible in the foreground, supported by vertical columns. The overall scene is brightly lit, with soft shadows and highlights on the building's surfaces.

PERFORMANCE INDICATORS

Strategic Goal: Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers

⊛ Denotes a measure associated with an Agency Priority Goal (APG)

- ▶ **Strategic Objective: Housing Market**
 - Overall market share of single-family new originations for private capital, GSEs, FHA, and VA
 - Share of FHA mortgages to first-time home buyers

- ▶ **Strategic Objective: Credit Access**
 - Federal Housing Administration share of originations
 - Percent of loans endorsed with credit score < 680
 - Percent of loans endorsed with credit score <680 that evidence successful homeownership over the first five years
 - HUD’s Housing Counseling Program clients served
 - Percent of housing counseling clients that gain access to resources to improve their housing situation
 - Percent of housing counseling clients with whom a counselor developed a sustainable household budget

- ▶ **Strategic Objective: FHA’s Financial Health**
 - Asset disposition recovery rate
 - Percent of modifications resulting in re-defaults within six months of closing
 - Loss mitigation uptake
 - Number of FHA-insured mortgages benefitting from housing counseling
 - Capital Reserve Ratio

Strategic Goal: Meet the Need for Quality Affordable Rental Homes

- ▶ **Strategic Objective: Rental Investment**
 - Number of households experiencing “Worst Case Housing Needs”
 - Proportion of very low-income renters facing severe rent burdens
 - Percentage of rental units built in the preceding four years that are affordable to very low-income renters

- ▶ **Strategic Objective: Rental Alignment**
 - Number of families served through HUD rental assistance ⊛
 - Number of units converted using the Rental Assistance Demonstration (RAD) ⊛
 - Housing Choice Voucher budget utilization rate ⊛
 - Public Housing occupancy rate ⊛
 - Number of inspections saved through inspection sharing

Strategic Goal: Use Housing as a Platform for Improving Quality of Life

✦ Denotes a measure associated with an Agency Priority Goal (APG)

► **Strategic Objective: Homelessness**

- Total Veterans living on the streets, experiencing homelessness ✦
- Total homeless Veterans temporarily living in shelters or transitional housing ✦
- Veterans placed in permanent housing ✦
- Homeless Veterans served by Continuum of Care resources (transitional housing + Permanent Supportive Housing) ✦
- Individuals experiencing chronic homelessness
- Number and percent of new Permanent Supportive Housing beds dedicated to individuals experiencing chronic homelessness
- Percent of Permanent Supportive Housing beds targeted to individuals experiencing chronic homelessness
- Families experiencing homelessness
- Admissions of new homeless households into HUD-assisted Housing (Public Housing and Housing Choice Vouchers)
- Admissions of new homeless households into HUD-assisted Housing (Multifamily)
- Percent of Emergency Solutions Grant dollars dedicated to Rapid Re-housing for homeless families

► **Strategic Objective: Economic Prosperity**

- Percent of participants enrolled in the Family Self Sufficiency program who have increased wages
- Percent of Section 3 residents hired, of total hiring that occurs as a result of Section 3 covered HUD funding
- Percent of total dollar amount of (construction and non-construction) contracts awarded to Section 3 businesses by covered HUD funding
- Number of self-certified Section 3 businesses in HUD's registry nationwide
- Number of states with Section 3 certified businesses in HUD's registry

► **Strategic Objective: Health and Housing Stability**

- Number of successful transitions from institutions through Section 811 Project Rental Assistance program
- Percent of public housing agencies with smoke-free housing policies
- Average CMS STAR rating of Section 232 nursing home commitments

Strategic Goal: Build Strong, Resilient, and Inclusive Communities

✦ Denotes a measure associated with an Agency Priority Goal (APG)

▶ **Strategic Objective: Fair Housing**

- Number of people receiving remedies through Fair Housing Act enforcement work
- Average number of people receiving remedies through Fair Housing Act enforcement work per case
- Number of cases with monetary relief exceeding \$25,000
- Number of cases open more than 300 days at the end of the fiscal year

▶ **Strategic Objective: Green and Healthy Homes**

- Number of HUD-assisted or -associated units completing energy efficient and healthy retrofits or new construction ✦
- Number of Properties Participating in Utility Data Benchmarking
- Installed and Committed Megawatts toward Federal Renewable Energy Target
- Number of Better Buildings Challenge Partners

▶ **Strategic Objective: Disaster Resilience**

- Percent of Sandy Task Force recommendations related to disaster recovery and resilience that have been implemented
- Percent of HUD Climate Change Adaptation Plan actions completed

▶ **Strategic Objective: Community Development**

Choice Neighborhoods

- Number of replacement housing units developed
- Cumulative total leveraged dollars expended by grantees
- Number of building permits filed in the neighborhoods
- Percentage of assisted residents with wage income

Strong Cities, Strong Communities (SC2)

- Amount of existing federal funds more effectively utilized due to Strong Cities, Strong Communities (SC2) technical assistance and capacity building
- Number of best practices adopted by SC2 cities
- Number of new local partnerships formed as a result of an SC2 intervention

Sustainable Communities Initiative (SCI)

- Leveraged investments secured as a result of sustainable community planning
- Number of plans adopted as a result of HUD investments in sustainable community planning
- Number of regulatory reforms adopted as a result of HUD investments in sustainable community planning
- Number of communities that developed or improved plans for economic resilience

Additional Community Development Indicators

- Number of Community Need Assessment (CNA) action plans
- Number of jobs created or retained by CDBG grantees

Achieving Operational Excellence: Management Metrics

▶ Acquisitions

- Percent requisitions released by the target requisition release date (by Program Office)
- Percent of awards meeting target award date (by the Office of the Chief Procurement Officer)
- Total number of days to contract award, by acquisition strategy

▶ Departmental Clearance

- Percent of documents that complete the clearance process by the deadline

▶ Equal Employment Opportunity

- Number of pre-complaint resolutions occurring through the Alternate Dispute Resolution process
- Number of complaint filings per fiscal year

▶ Financial Management

- No metrics, but has milestones

▶ Grants Management

- Notice of Funding Availability (NOFA) Timeliness

▶ Human Capital

- HUD's score on the Employee Viewpoint Survey Engagement Index
- Percent of succession program positions filled from a pool of well qualified candidates
- Human capital customer satisfaction scores

▶ Information Technology

- Number of IT systems
- Cost of IT systems (in millions)
- IT customer service satisfaction scores

▶ Organizational Structure

- Amount of money spent on space and travel (in millions)
- Space Utilization (in sq. ft.)



DEPARTMENT
OF
HOUSING
AND
URBAN
DEVELOPMENT

STRATEGIC GOAL:

*Strengthen the Nation's
Housing Market to
Bolster the Economy and
Protect Consumers*

A robust housing market plays a large role in stabilizing our neighborhoods and strengthening our national economy. That is why the downturn of the housing market—with high foreclosure rates that triggered an increase in abandoned properties, which contributed to plummeting home values—was so devastating for families and communities. Although the largest factors contributing to this crisis were market-driven—including stagnant home prices, high-risk subprime and predatory lending, and lax underwriting standards—the American people turned to Congress and the Administration for leadership and action in righting our nation’s housing market. Since the crisis, HUD has played a critical role in this federal recovery strategy—helping American families keep their homes and stabilizing neighborhoods hard hit by foreclosure. HUD continues to build upon this federal leadership and advocate a comprehensive approach to the recovery by supporting mortgage finance reform legislation. In addition, HUD remains committed to ensuring underserved communities have access to credit while managing risk to the FHA portfolio in a way that encourages more private investment in the housing market. This work helps put HUD in a strong position to minimize the negative impact of any future market disruptions.



HUD working on homes in the New Orleans area for President Obama’s United We Serve initiative, National Day of Service

- ▶ **Strategic Objective:** Establish a sustainable housing finance system that provides support during market disruptions, with a properly defined role for the US government.
- ▶ **Strategic Objective:** Ensure equal access to sustainable housing financing and achieve a more balanced housing market, particularly in underserved communities.
- ▶ **Strategic Objective:** Restore the Federal Housing Administration’s financial health, while supporting the housing market recovery and access to mortgage financing.

Strategic Objective: Housing Market

Establish a sustainable housing finance system that provides support during market disruptions, with a properly defined role for the US government.

OVERVIEW

HUD will work with other agencies, Congress, and stakeholder groups to create a sustainable housing system. In doing so, HUD aims to minimize taxpayer risk by fostering private capital as a primary source of liquidity, and focus government participation to a more targeted market of underserved borrowers while still allowing it to maintain its countercyclical role. The right solution will ensure continued access to homeownership and multifamily investment opportunities for creditworthy borrowers while avoiding the problem of private gains and public losses.

STRATEGIES

- **Create a legislative framework to restructure the government-sponsored enterprises (GSEs)** in a measured and careful manner. Through this strategy, HUD intends to foster the increased participation of private capital and to insulate taxpayers from losses. At the same time, access to credit must be maintained. In order to accomplish this, HUD will work with Administration partners to lend its expertise in shaping legislative reform.
- **Develop the necessary reforms to focus the Federal Housing Administration (FHA) on maintaining access to credit** for homeowners and multifamily project owners through all economic cycles. HUD will work to update regulations to allow for access to financing for creditworthy borrowers even during economic downturns.
- **Shape the regulatory landscape through rulemakings.** New rules enhance access to financing for creditworthy borrowers and promote the role of private capital. This new landscape will also include enhanced safety mechanisms for both consumers and investors.

LEADING THIS OBJECTIVE

Edward Golding
Principal Deputy Assistant Secretary
Office of Housing

FY14 APR PROGRESS UPDATE

In addition to finalizing regulations and regulatory coordination in the Federal Register with other agencies [Qualified Mortgages and Qualified Residential Mortgages (QM and QRM)], HUD hit its target for share of FHA mortgages to first-time home buyers. Efforts will continue to engage with stakeholders and policymakers to consider housing finance reform legislation that meets the administration's housing policy priorities.

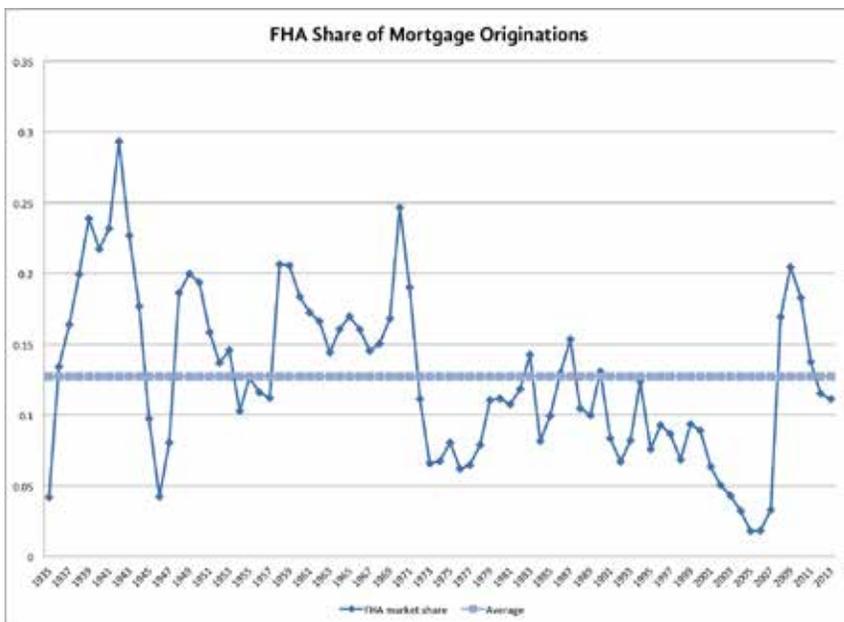
MAJOR MILESTONES

- 12/31/2014 **Finalized regulations and regulatory coordination in the Federal Register with other agencies [Qualified Mortgages and Qualified Residential Mortgages (QM and QRM)].**
Achieved as of this publication.
- 9/30/2015 **Support GSE reform bill by** 1) supporting development of a legislative framework for GSE reform, 2) providing expertise and technical assistance for legislative efforts to reform housing finance, and 3) supporting a GSE bill which generally meets our objectives as it goes through committee and votes in both bodies of Congress to the extent that Congress takes up legislation in 2015.
- 12/31/2015 **Modernize FHA's authorities to help deliver on the objective by providing a best practice handbook to contain FHA policies.**

Comment Regarding FHA's Countercyclical Role Relative To The Market

A key component of FHA's mission is to serve in a countercyclical role during fluctuations in the economy by providing access to mortgage credit during periods of constriction in credit markets. In the chart below, periods of spikes in FHA's market share have coincided with periods of economic recession, when non-FHA mortgages were difficult to obtain. The FHA's countercyclical role comes with a cost, as seen during the Great Recession (December 2007 to June 2009)²; when FHA's resources were strained by its rapid growth in market share and the drop in home sales prices.

As the economy has improved, FHA has made significant changes in risk management to mitigate existing and reduce future losses, which will position FHA to continue fulfilling its mission.



MEASURING OUR PROGRESS

HUD will track the following performance indicators, which respond to market changes. These metrics are tracking only, as the ideal mix of private capital in the market is unknown; the desired trend is to see an increase in private capital.

² Business Cycle Dating Committee of the National Bureau of Economic Research, Sept 2010 (<http://www.nber.org/cycles/sept2010.pdf>).

- ▶ **Overall market share of single-family new originations³ for private capital, Government Sponsored Entities (GSEs), Federal Housing Administration (FHA), and the Veteran’s Administration (VA)** This measure tracks the share of the mortgage market for private lenders, GSEs (Fannie Mae and Freddie Mac), FHA, and VA in order to observe FHA’s role in the housing market and the balance of the housing market.

	CY12 Actual	CY13 Actual	CY14 Actual	CY14 Target	CY15 Target	CY16 Target
Overall market share of private capital	26.3%	20.0%	No Data	Tracking Only	Tracking Only	Tracking Only
Overall market share of GSEs	56.2%	62.0%	No Data	Tracking Only	Tracking Only	Tracking Only
Overall market share of FHA/VA	17.5%	18.8%	(see below)	Tracking Only	Tracking Only	Tracking Only
Overall market share of single-family new originations for private capital	22%	21%	26%	Tracking Only	Tracking Only	Tracking Only
Overall market share of single-family new originations for GSEs	60%	61%	53%	Tracking Only	Tracking Only	Tracking Only
Overall market share of single-family new originations for FHA	No Data	No Data	11%	Tracking Only	Tracking Only	Tracking Only
Overall market share of single-family new originations for VA	No Data	No Data	10%	Tracking Only	Tracking Only	Tracking Only

▶ **Share of FHA mortgages to first-time home buyers**

While FHA has historically insured about 13 percent of all mortgage originations during its past 80 years, it has funded more than 50 percent of all first-time homebuyer mortgages during this same time. This metric tracks the share of annual FHA endorsements for first-time homebuyers.

CY12 Actual	CY13 Actual	CY14 Actual	CY14 Target	CY15 Target	CY16 Target
77.7%	78.2%	81.2%	81.2%	Tracking Only	Tracking Only

³ Indicators have been refined to include only single-family new originations for private capital. HUD will no longer report on total debt outstanding. Historical data has been included in this APR/APP for traceability and HUD will now separate the FHA and VA indicators for clarity.

Strategic Objective: Credit Access

Ensure access to sustainable housing financing and achieve a more balanced housing market, particularly in underserved communities.

OVERVIEW

As the economy recovers, creditworthy borrowers continue to have difficulty accessing affordable mortgage financing. Homeowners with seriously delinquent and underwater loans find it difficult to sell or refinance their homes. For homebuyers, tight underwriting standards (some FHA lenders impose additional requirements above those required by FHA) and high down payment requirements make it difficult to obtain a loan. These challenges have disproportionately affected first-time, minority, and low-to-moderate income homebuyers and homeowners. HUD will work to ensure that these underserved groups have the ability to get financing.

STRATEGIES

- **Clarify underwriting standards in order to minimize uncertainty in market place.** Increased clarity will encourage access to credit and inhibit risky lender activity. HUD will continue to improve current policies and communicate transparent performance and enforcement standards to the housing industry and other stakeholders.
- **Evaluate and align program policies with risk tolerance and mission** to better ensure fulfilling HUD's mission of providing quality affordable housing. This strategy will be achieved by balancing access/affordability, market factors and the Mutual Mortgage Insurance (MMI) fund in setting price and credit policy.
- **Ensure HUD's Housing Counseling Program reaches as many households as possible, particularly in underserved areas**, so that more households receive information regarding fair housing and fair lending. HUD will do this by making Housing Counseling grants available to housing counseling agencies as soon after appropriation as possible, and tracking new short- and long-term outcomes that more clearly document the benefits of housing counseling.
- **Finalize prospective quality assurance framework and retrospective lender quality assurance enforcement actions** to reduce market uncertainty and improve access to credit.

LEADING THIS OBJECTIVE

Kathleen Zadareky
Deputy Assistant Secretary for Single Family Housing
Office of Housing

Sarah Gerecke
Deputy Assistant Secretary
Office of Housing Counseling

FY14 APR PROGRESS UPDATE

HUD narrowly missed the established target of 10-15% of mortgage originations that were made by the FHA. We continue to see a positive trend in the percent of loans endorsed with credit score below 680, and we plan to report on the metric percent of loans endorsed with credit score below 680 that evidence successful homeownership over the first five years by 2017. The Department missed its target for number clients served by the Housing Counseling Program by more than 10%. In conjunction with the Department of Justice, HUD has continued to pursue resolution of major mortgage cases left over from the financial crisis.

MAJOR MILESTONES

- 10/1/2014 **Utilized a revised form HUD-9902 for Housing Counseling performance reporting.** The HUD-9902 form, as revised now allows HUD to collect information on access to various types of housing resources and assistance, including down payment assistance, financing through State Housing Finance Agencies, and rental assistance.
Achieved as of this publication.
- 9/30/2015⁴ **Complete the majority of FHA enforcement actions for loans endorsed prior to December 2011** for which DOJ investigations were finalized on 4/30/2014; complete refers to either an agreement to settle or a decision that settlement is unlikely and court action is the only solution. While a portion of these FHA enforcement actions are complete as of this publication, many will continue past FY15 as HUD and DOJ seek resolution.
- 12/31/2015⁵ **Update and streamline Single Family Housing Policy and underwriting standards by transitioning from multiple handbooks to a single policy handbook. The new Handbook is being completed through a method of posting sub-sections for stakeholder feedback before publication. Sections planned for implementation in 2015 include:**
- Application through Endorsement for Title II forward mortgages (Complete as of 9/30/2014)
 - Servicing and Loss Mitigation for Title II forward mortgages
 - Doing Business with FHA
 - Claims and Disposition
 - Quality Control, Oversight and Compliance

⁴ This date was changed from 2014 due to majority of actions not completed by DOJ and HUD.

⁵ This milestone completion date was moved from 9/30/2015 due to IT funding challenges.

12/31/2015 **Complete and implement components of the new quality assurance framework, as noted below, to provide clarity and transparency in FHA's policies and encourage lending to qualified borrowers across the credit spectrum.**

- Develop new underwriting defect taxonomy framework.
- Implement Supplemental Performance Metric
- Update lender and loan-level certifications

MEASURING OUR PROGRESS

To help achieve this objective, HUD has established the following performance indicators.

► Federal Housing Administration share of originations

This indicator measures the percentage of mortgage originations in the housing market that were made by Federal Housing Administration.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
13.7%	14.2%	15.6%	10-15%	10-15%	10-15%

► Percent of loans endorsed with credit score < 680

This indicator measures the percentage of FHA loans endorsed that have borrowers with a credit score under 680. Credit scores help lenders to make billions of credit decisions every year. Scores range from 300 to 850. FHA's traditional first-time borrower is targeted to be a borrower with a credit score of less than 680. The FY 2016 target of 70 percent is considered a manageable and reasonable level of risk for FHA to assume.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
42.6%	45.5%	56.2%	60% ⁶	60%	70%

► Percent of loans endorsed with credit score <680 that evidence successful homeownership over the first five years

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

► HUD's Housing Counseling Program clients served

This indicator measures the incremental number each year of clients counseled through the HUD Housing Counseling program. [Learn more about the Office of Housing Counseling and the assistance it offers.](#)

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
1,657,147	1,567,530	1,331,573	1,500,000	1,566,000 ⁷	2,000,000

▶ **Percent of housing counseling clients that gain access to resources to improve their housing situation**

This indicator measures the percentage of housing counseling clients who gain access to resources to help them improve their housing situation (e.g. down payment assistance, rental assistance) as a direct result of receiving Housing Counseling Services.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Percent of housing counseling clients for whom a counselor developed a sustainable household budget**

This indicator measures the percentage of housing counseling clients with whom a counselor developed a sustainable household budget through the provision of financial management and/or budget services.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

⁶ Due to the mortgage insurance premium (MIP) decrease it is likely that applications from borrowers with a credit score of ≥ 680 will increase beyond estimates set in FY 2015, therefore the target has been adjusted from 70 percent to 60 percent for FY 2015.

⁷ The target for FY 2015 has been adjusted down as HUD was appropriated \$13 million less than requested in the FY 2015 budget. The proposed FY 2015 target of 1,566,000 is a 4.4 percent increase from the FY 2014 target, mirroring the 4.4 percent increase in appropriations from FY 2014 to FY 2015.

Strategic Objective: FHA's Financial Health ⁸

Restore the Federal Housing Administration's financial health, while supporting the housing market recovery and access to mortgage financing.

OVERVIEW

A strong Federal Housing Administration (FHA) is critical to the recovery of the housing market and our economy at large. The mortgage insurance provided by FHA has made financing available to individuals and families not adequately served by the conventional private mortgage market. The Mutual Mortgage Insurance Fund (MMIF) is the largest fund covering activities of FHA. The recession put substantial strain on the MMIF as private capital retreated and FHA played a countercyclical role to support the broader housing market. Over time, FHA has experienced significant swings in its market share as it has stepped in to provide insured loans for qualified borrowers who would otherwise be shut out of the mortgage market.

In addition, the severe decline in house prices, the sluggish performance of the economy, and the behavior of some lending partners resulted in increased FHA losses that drove its capital reserve ratio⁸ below the congressionally mandated 2 percent level.

STRATEGIES

- **Restore FHA's capital reserve ratio** to the congressionally mandated 2 percent level. Strengthen FHA's book of business through policy reforms and minimize losses on existing books.
- **Continue loss mitigation efforts in order to prevent foreclosures.** Focus on effective and proactive loss mitigation. HUD will track the effectiveness of these efforts by measuring the number of homeowners who re-default after receiving assistance.
- **Maximize Single Family FHA recovery rates** by actively monitoring contractor scorecards and implementing alternative asset disposition options.

LEADING THIS OBJECTIVE

Kathleen Zadareky
Deputy Assistant Secretary for Single Family Housing
Office of Housing

Sarah Gerecke
Deputy Assistant Secretary
Office of Housing Counseling

⁸ The capital ratio compares the "economic net worth" of the MMI Fund 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. The capital ratio computation is part of an annual valuation of the outstanding portfolio of insured loans at the end of each fiscal year.

FY14 APR PROGRESS UPDATE

HUD continues to make progress on restoring the financial health of the FHA Mutual Mortgage Insurance Fund (MMIF). While design of analytical models to estimate interim actuarial results was completed on schedule, implementation has been pushed to FY15. The Capital Reserve Ratio continues to rebound to its mandated 2% level; from -1.44% in FY12 to .41% in FY14. The loss mitigation uptake metric exceeded its target by more than thirty percentage points.

MAJOR MILESTONES

- 4/30/2014 **Assess appropriate Annual Mortgage Insurance Premium (MIP) levels to balance risk return and increase homeownership.** *Achieved as of this publication.*
- 6/30/2014 **Measure and maximize management and marketing contractor performance by rolling out initial performance scorecards.** *Achieved as of this publication.*
- 9/30/2014 **Develop a loan servicing contractor scorecard for Secretary-held loan servicing.** *Achieved as of this publication.*
- 6/30/2015 **Update Distressed Asset Stabilization Program (DASP) – Neighborhood Stabilization Outcome (NSO) strategy to maximize support to struggling Metropolitan Statistical Areas (MSA).**
- 9/30/2015 **Design and implement appropriate analytical models to estimate interim actuarial results.** This milestone has been extended one year. Design was completed in FY 2014 with implementation scheduled to begin as early as Q2 of FY 2015.
- 9/30/2015 **Provide updated guidance to lenders to improve tracking for the number of FHA borrowers who receive housing counseling before loan origination.**
- 9/30/2015 **Implement comprehensive policies through Mortgagee Letters and rulemaking that will eliminate negative capital reserve on Mutual Mortgage Insurance Home Equity Conversion Mortgage (HECM) portfolio.**
- 3/31/2016 **Implement asset execution model that supports FHA realization of optimal recovery across disposition strategies.** These strategies are geared to keep distressed borrowers in their homes and communities. This target has been extended to FY 2016 from FY 2014. Implementation work is anticipated to begin in September of 2015 with completion in Q2 of FY 2016.



MEASURING OUR PROGRESS

To help achieve this objective, HUD has established the following performance indicators.

▶ **Asset disposition recovery rate**

This is the net recovery rate that FHA realizes via REO sales and REO Alternate Strategies as a percentage of unpaid principal balance. REO Alternate Strategies include Note Sales (DASP and Claims without Conveyance of Title [CWCOT]), Third Party Sales (TPS), and Pre-Foreclosure Sales (PFS). This broader metric better reflects the change in asset disposition recovery strategy and specifically success in the REO Alternate Strategies. In FY 2014 the change in asset disposition recovery strategy resulted in success such that volume increased in the three REO Alternate Strategies and subsequently REO volume has decreased. HUD will no longer target REO asset disposition discreetly but will begin to set targets for the entire asset disposition recovery strategy.

	FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
REO	38%	43%	40%	45%	45% ⁹	Tracking Only
REO Alternate Strategies	53%	48%	53%	NA	Tracking Only	Tracking Only
Overall	38%	43%	48%	NA	46%	48%

▶ **Percent of modifications resulting in re-defaults within six months of closing**

This indicator measures the percentage of borrowers that become 90 days or more delinquent on their loans within 6 months of receiving a loan modification/FHA Home Affordable Modification Program (HAMP) modification.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
13.50%	8.38%	7.63%	6.40%	<10% ¹⁰	<10%

▶ **Loss mitigation uptake**

This is the percentage of loss mitigation actions taken as a percent of serious mortgage delinquencies. Loss mitigation programs are typically used to assist homeowners who have been in default on their mortgage payments for over 90 days (serious delinquency). Examples include FHA HAMP, special forbearance, mortgage modifications, partial claims, pre-foreclosure sales, and deeds in lieu. This is important because finding a loss mitigation solution—such as a loan modification or a partial claim—is a better outcome than foreclosure, for both the borrower and FHA. [Learn more about loss mitigation.](#)

⁹ The FY 2015 target for REO has been adjusted from the FY 2015 APP of increasing by 5 percent to reflecting no change in the target from FY 2014 to FY 2015, due to a decrease in REO volume. This trend is interpreted as positive.

¹⁰ Note that in the FY 2013 APR and FY 2015 APP, this target for FY 2015 was to be 2 percent less than the FY14 actual and has been adjusted to be less than 10 percent. Where less than 10 percent is “satisfactory”, less than 9 percent is “excellent”, and less than 8 percent is “outstanding”..

In November 2012, FHA introduced its revised Loss Mitigation Waterfall to better ensure that each owner-occupant borrower received a loss mitigation retention product with a high probability of a sustainable mortgage payment, while minimizing losses to the Mortgage Mutual Insurance (MMI) fund. The revised Loss Mitigation Waterfall established specific criteria for formal forbearance/repayment plans, loan modifications, and FHA’s Home Affordable Modification Program (FHA-HAMP) that targeted a 20 percent mortgage payment reduction for eligible borrowers. Recipients were assisted in FY 2013 and FY 2014 and it is anticipated that this metric will trend toward the minimum target of 20 percent as the loss mitigation waterfall allows for one modification in a 24 month period and delinquency rates are declining. The revised waterfall helped lower re-default rates on loan modifications to 8.38 percent and 7.63 percent in FY 2013 and FY 2014, respectively.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
15.9%	19.3%	51.7%	20%	≥20%	≥20%

► **Number of FHA-insured mortgages benefitting from housing counseling**

This is the number of FHA borrowers that receive pre- or post-purchase counseling.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

► **Capital Reserve Ratio**

The capital ratio compares the “economic net worth” of the 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. The capital ratio computation is part of an annual valuation of the outstanding portfolio of insured loans at the end of each fiscal year.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
-1.44%	-0.11%	0.41%	1.2%	2.0% ¹¹	2.0% ¹²

¹¹ The 2 percent target for FY 2015 and FY 2016 represents the statutory requirement for the fund; however, while the fund is on a positive trajectory towards meeting this target, it is uncertain whether the target will actually be achieved by FY 2015 or FY 2016.

¹² *ibid.*



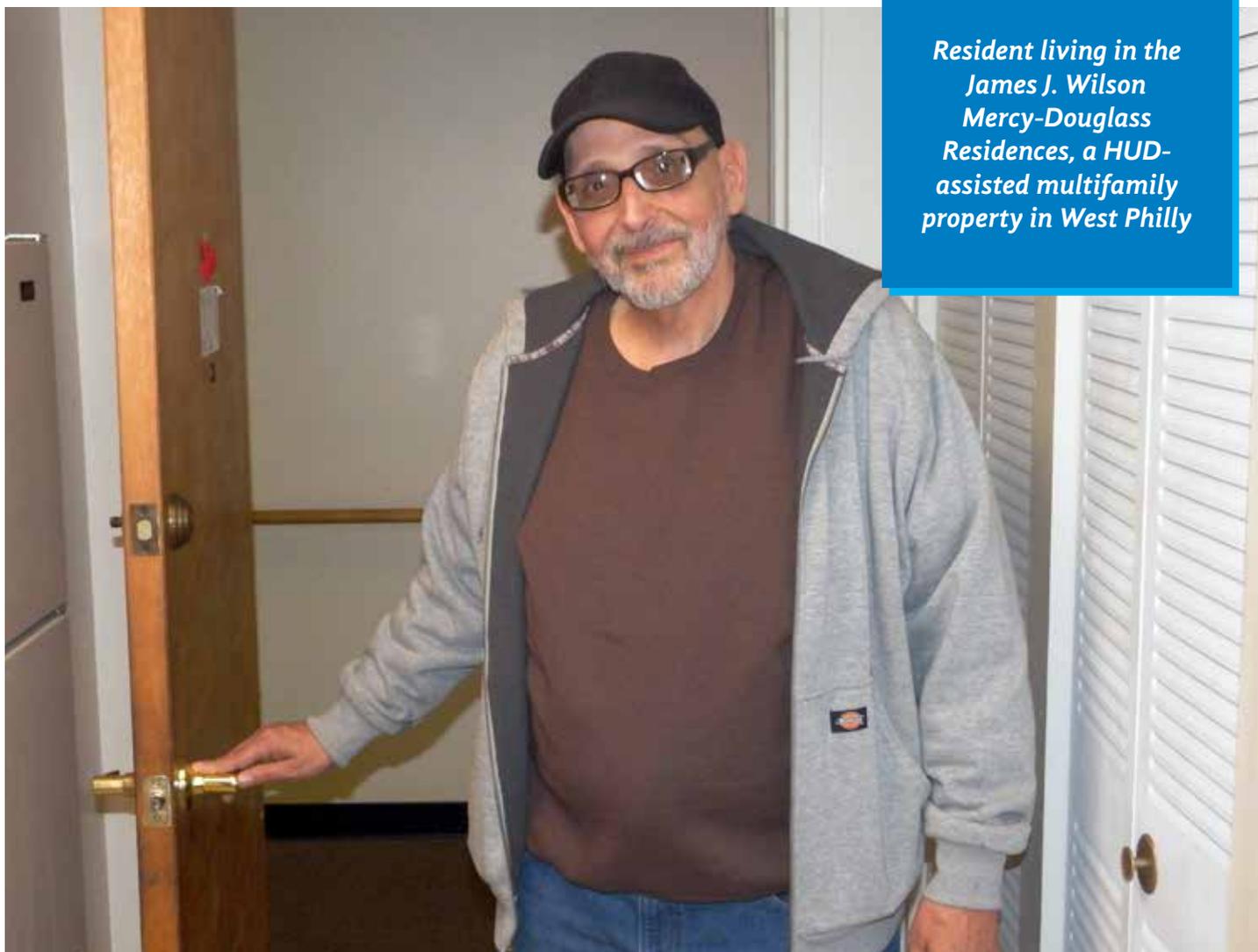


STRATEGIC GOAL:

*Meet the Need for Quality
Affordable Rental Homes*

Renters in America face serious difficulty finding affordable housing in a broad range of communities because of the dual problems of a shortage of units in some areas and a lack of income to afford units in the existing market. Despite the units of housing provided through HUD's programs, the supply of affordable and available rental housing in America is insufficient. Moreover, the number of families struggling to make ends meet in the face of severe rent burdens continues to increase. HUD remains committed to providing rental assistance to poor households within this challenging environment.

- ▶ **Strategic Objective:** Ensure sustainable investments in affordable rental housing.
- ▶ **Strategic Objective:** Preserve quality affordable rental housing, where it is needed most, by simplifying and aligning the delivery of rental housing program.



Strategic Objective: Rental Investment

Ensure sustainable investments in affordable rental housing.

OVERVIEW

The number of renter households with worst case needs – those with very-low incomes¹³ that do not receive government assistance and either pay more than one-half their income on rent or live in severely inadequate conditions – decreased to 7.7 million in 2013 from the record high of 8.5 million in 2011, ending a sustained period of large increases. The *Worst Case Housing Needs 2013*¹⁴ study details the continued, substantial unmet needs for affordable rental housing even as economic conditions improve. As the rental market continues to tighten, it is critical to increase the level of private investment into affordable housing. Currently, for every two very low-income households that receive rental assistance, there are over three very low-income households with worst case housing needs.

STRATEGIES

- **Pursue Housing Finance Reform legislation** with Administration partners and Congress to provide a dedicated, budget-neutral financing mechanism to support affordable rental housing.
- **Implement the Housing Trust Fund and support the Capital Magnet Fund.** On December 10, 2014, The Federal Housing Finance Agency (FHFA) directed Fannie Mae and Freddie Mac to allocate funds to the Housing Trust Fund and the Capital Magnet Fund pursuant to the Housing and Economic Recovery Act of 2008 (HERA). The purpose of these funds includes providing grants to states to increase and preserve the supply of rental housing for extremely and very low-income families, including homeless families.

LEADING THIS OBJECTIVE

Ben Metcalf
Deputy Assistant Secretary
Office of Multifamily Housing

FY14 APR PROGRESS UPDATE

Recent evidence demonstrates that there is a critical need for new investments in affordable rental housing: renter population outpaced the expansion of rental stock between 2011 and 2013, and one-hundred thousand fewer units affordable to very-low income households were constructed in FY13 than in FY11. HUD completed the milestone to publish the Housing Trust Fund Interim Rule in the Federal Register by January 30, 2015; this fund will provide substantial resources to invest in affordable rental housing. Standing up the Fund on schedule is a critical task for the coming months, as is planning for how the Fund will leverage other resources and lead to the measurable, desired outcomes for residents. Government Sponsored Enterprise reform would be a key tool for financing new investments in our affordable rental stock, but requires Congressional action.

¹³ Very low income renters have a household income of 50 percent or less of the area median income, with adjustments for household size. trajectory towards meeting this target, it is uncertain whether the target will actually be achieved by FY 2015 or FY 2016.

¹⁴ U.S. Department of Housing and Urban Development, 2015 (January); *Worst Case Housing Needs 2013: Report to Congress*.

MAJOR MILESTONES

1/30/2015 **The Housing Trust Fund Interim Rule¹⁵ was published in the Federal Register**, which will create a funding source for states to use for the production or preservation of affordable housing.

MEASURING OUR PROGRESS¹⁶

To monitor our progress towards this objective, HUD will track the following performance indicators:

► **Number of households experiencing “Worst Case Housing Needs”¹⁷ (key measure)**

Households experiencing worst case housing needs are very low-income renters who do not receive government housing assistance and who either paid more than half of their income for rent or lived in severely inadequate conditions. HUD’s estimates of worst case needs are based primarily on data from the biennial [American Housing Survey](#) (AHS).

FY11 Actual	FY13 Actual	FY15 Target
8.48 million	7.7 million ¹⁶	Tracking Only

¹⁵ The milestone has been updated from the *HUD FY 2013 APR* and *FY 2015 APP*, which projected the publication of the Housing Trust Fund Final Rule by September of FY 2014. Per OMB, there will be no “Final Rule” in the immediate future. In December 2014, FHFA issued a decision to reverse the temporary suspension of the fund.

¹⁶ The milestone has been updated from the *HUD FY 2013 APR* and *FY 2015 APP*, which projected the publication of the Housing Trust Fund Final Rule by September of FY 2014. Per OMB, there will be no “Final Rule” in the immediate future. In December 2014, FHFA issued a decision to reverse the temporary suspension of the fund.

¹⁷ Data on worst case housing needs are published every other year.

¹⁸ Data on FY 2015 will be published in 2017.

► **Proportion of very low-income renters facing severe rent burdens (contextual indicator)**

This measure is based on special [American Community Survey tabulations](#) with AMI and income categories attached to and tracks the proportion of very low-income renters (with incomes below 50 percent of the Area Median Income), who spend more than 50 percent of their income on rent.

FY11 Actual	FY13 Actual	FY15 Target
50.6%	48.5% ¹⁹	Tracking Only

► **Percentage of rental units built in the preceding four years that are affordable to very low-income renters,²⁰ prepared using [American Housing Survey](#) data. (contextual indicator)**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	22.3%	Tracking Only	Tracking Only	Tracking Only



The West End Flats strives to meet the housing needs of homeless and low-income families and individuals.

¹⁹ 2013 actual is based on ACS and not Comprehensive Housing Affordability Strategy (CHAS), which is the dataset that attaches AMI and income limits to the ACS. Once CHAS data for 2013 are available, the percentage of VLI renters who faced severe rent burdens may slightly change. For reference, using only the ACS, the 2011 percentage is 0.1% smaller. Data on FY 2015 will be published in 2017.

²⁰ Very low-income renters have a household income of 50% or less of the area median income. This performance indicator replaces the FY13 APR and FY15 APP indicator "Percentage of rental units built in the preceding four years that had rents below \$800."

Strategic Objective: Rental Alignment

Preserve availability of quality affordable rental housing, where it is needed most, by simplifying and aligning the delivery of rental housing programs.

OVERVIEW

During the past 78 years, the federal government has invested billions of dollars in the development and maintenance of affordable public and multifamily housing. Despite the sizable investment and the great demand for such housing, units continue to be lost. Some units have been lost because of their deteriorated physical condition. Others, both publically and privately owned, have been removed from the affordable inventory because of owners' decisions or because periods of affordability have expired. Some multifamily housing programs either have no option for owners to renew their subsidy contracts with HUD or cannot renew on terms that attract sufficient capital to preserve long-term affordability. Moreover, the public housing stock faces an estimated \$26 billion capital needs backlog that will be difficult to meet given federal fiscal constraints.

HUD's Rental Assistance Demonstration (RAD) makes it possible for public housing agencies to address capital repair and replacement needs of their properties, preserving these affordable rental units. RAD allows public housing agencies and owners of Moderate Rehabilitation, Rent Supplement, and Rental Assistance Payment developments to convert to long-term Section 8 rental assistance contracts so they can access private funding sources.

The preservation of an even broader range of HUD-assisted properties is being facilitated by the new Recapitalization Office, which is handling a variety of complicated preservation transactions on behalf of property owners receiving project-based assistance. Additionally, HUD's participation in the White House Rental Policy Working Group has spurred improvements in affordable rental housing across agencies, particularly in the area of unit physical inspections and HUD's Real Estate Assessment Center's role.

STRATEGIES

- **Develop and adopt a uniform asset management model across program platforms and divisions**, considering existing legislative and regulatory requirements. By using both property-level and counterparty entity oversight, a uniform asset risk assessment management model will help to ensure consistent timely interventions and minimize risk.
- **Revise the Real Estate Assessment Center's** scoring system, timeframes and operation of physical and financial assessments of HUD-assisted properties.
- **Support the development and preservation of affordable housing through FHA Multifamily Mortgage Insurance**, in conjunction with other funding or financial resources such as through the FHA Low Income Housing Tax Credit (LIHTC) pilot.

- **Ensure that the households currently being served by HUD rental assistance programs have a choice to remain housed in their assisted properties.**
 - Create a proactive asset management approach to work with owners prior to contract expiration/mortgage maturity to develop a preservation strategy for the property.
 - Preserve units, maintain high occupancy and utilization rates, and reduce the number of units converted to market rate housing.
- **Implement and expand the Rental Assistance Demonstration (RAD)** to preserve and transition existing affordable HUD-assisted rental units to the Section 8 platform.

LEADING THIS OBJECTIVE

Ben Metcalf
Deputy Assistant Secretary
 Office of Multifamily Housing

Unabyrd Wadhams
Deputy Assistant Secretary
 Office of Field Operations
 Office of Public and Indian Housing

FY14 APR PROGRESS UPDATE

Detailed update provided under FY14-15 APG Progress Update.

MAJOR MILESTONES

- 9/30/2014 **Align PIH and Multifamily rental housing asset risk model where appropriate.** *Achieved as of this publication.*²¹
- 9/1/2015 **Provide guidance and technical assistance on monitoring and inspecting HOME projects,** to include instructions about how Participating Jurisdictions can align with other funding partners during the Period of Affordability.

²¹ This is a modified version of this milestone from the FY 2015 APP: Develop a consolidated rental housing risk model to be used by the Office of Public Housing and the Office of Multifamily Housing. A complete consolidation was not possible in light of regulatory and other barriers.

MEASURING OUR PROGRESS

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

🌟 Fiscal Year 2014–2015 Agency Priority Goal:

Preserve and expand affordable rental housing through HUD rental housing programs.

▶ 🌟 Number of households served through HUD rental assistance (key indicator)

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
5,447,499	5,475,004	5,511,132	5,523,649	5,611,065	5,624,894 ²²

▶ 🌟 Number of units converted using the Rental Assistance Demonstration (RAD): First Component (supporting indicator)

The first component of the Rental Assistance Demonstration allows projects funded under the public housing and Section 8 Moderate Rehabilitation (Mod Rehab) programs to convert their assistance to long-term, project-based Section 8 rental assistance contracts. HUD is exercising its discretion to prioritize public housing conversions under the competitive requirements of this component. The demand for public housing conversions is extremely high and significantly exceeded the initial limitation on the number of units that could be converted under the First Component. In addition, unlike Mod Rehab conversions, there is no Second Component option available for public housing projects. Consequently, Mod Rehab conversions will now be processed exclusively under the Second Component of RAD, which is non-competitive. Any existing Mod Rehab projects being processed under the First Component are grandfathered under provisions of Revision 1 of this Notice or have the option to switch to a conversion under the Second Component. Public housing agencies (PHAs) may choose between two forms of Section 8 Housing Assistance Payment (HAP) contracts: project-based vouchers (PBVs) or project-based rental assistance (PBRA). Targets are cumulative.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA ²³	30	6,167	15,000	36,000	100,000 ²⁴

▶ 🌟 Number of units converted using the Rental Assistance Demonstration (RAD): Second Component (supporting indicator)

The second component of the Rental Assistance Demonstration allows owners of projects funded under the Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Mod Rehab programs to convert tenant protection vouchers (TPVs) to project-based vouchers (PBVs) or project-based rental assistance (PBRA). Targets are cumulative.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA ²⁵	4,789	7,511	5,161	11,950	17,900

²² Many program offices are still developing FY 2016 targets.

²³ This metric was first reported in FY 2013.

²⁴ Targets were revised upwards in response to Congressional action raising the cap on conversions.

²⁵ This metric was first reported in FY 2013.

▶ **🎯 Housing Choice Voucher budget utilization rate (supporting indicator)**

This is the calendar year to date Housing Assistance Payment (HAP) spending as a percent of calendar year to date budget authority.²⁶

CY12 Actual	CY13 Actual	CY14 Actual	CY14 Target	CY15 Target	CY16 Target
99.04%	103.48% ²⁷	96.93% ²⁸	NA	97.56%	98.00%

▶ **🎯 Public Housing occupancy rate**

CY12 Actual	CY13 Actual	CY14 Actual	CY14 Target	CY15 Target	CY16 Target
96%	96%	96%	96%	96%	96%

▶ **🎯 Project-Based Rental Assistance (PBRA) occupancy rate**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
95.1%	95.2%	95.1%	Tracking Only	Tracking Only	Tracking Only

OTHER MEASURES:²⁹

▶ **Number of inspections saved through inspection sharing**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data ³⁰	114 ³¹	707 ³²	Tracking Only ³³	Tracking Only	Tracking Only

²⁶ Assumes 100% utilization in Moving to Work PHAs

²⁷ Sequestration drastically cut voucher funding; insufficient funding to cover existing HAPs meant many PHAs had to use reserve funds to maintain funding to households with vouchers beyond the sequestration budget authority.

²⁸ Reflects year-to-date actual as of October 1, 2014.

²⁹ HUD is no longer tracking the following Rental Alignment performance indicator “Number of units managed under the uniform risk management model”. This indicator was included in the FY 2013 APR and FY 2015 APP. All PIH units are managed under this model. It is an all or nothing target that has been completed. Yearly targets would simply be the entire number of units each year, or 100 percent of all units.

³⁰ This metric was first reported in FY 2013.

³¹ Estimated number of inspections saved during pilot, with participation by six states.

³² The FY 2014 pilot is larger (26 states) and does not include all the same participants as the FY 2013 pilot; therefore these historic values are not an accurate basis for setting meaningful targets of future success. Furthermore, it is not currently possible to set targets for this multi-agency effort because it involves multiple data sources and differing inspection timelines across the participating programs.

³³ It is not currently possible to make meaningful predictions about this multi-agency effort due to a lack of complete data sources and differing inspection timelines across the participating programs.



STRATEGIC GOAL:

*FY 2014-2015 Agency
Priority Goal ★ Affordable
Rental Housing*

Between October 1, 2013, and September 30, 2015, HUD aims to preserve and expand affordable rental housing through its rental housing programs to serve 158,000 additional households.

Additional households served through HUD rental assistance

This indicator tracks the total number of additional households served since the beginning of the performance period

	Target	Actual	Change from Previous Year	Target Met?
→ 2010	79,191	51,160	NA	✘
→ 2011	127,828	98,267	+47,107 (↑92%)	✓
→ 2012	29,869	107,179	+8,912 (↓9%)	✓
→ 2013	31,591	20,475	-86,704 (↓81%)	✘
→ 2014	48,219	36,128	+15,653 (↑76%)	✘
→ 2015	109,963			
→ 2014 + 2015 combined two-year goal	158,608			
net change, 2010 – 2014		+313,209 households served by affordable rental housing programs		



Households in Occupied Rental Units Receiving Assistance by Program	FY2012 Cumulative Baseline	FY2013 Incremental Actual	FY 2013 Cumulative Actual	FY 2014 Incremental Target	FY 2014 Incremental Actual	FY 2014 Cumulative Actual	FY 2015 Incremental Target	FY 2015 Cumulative Target	FY 2016 Incremental Target	FY 2016 Cumulative Target ³⁴
Multifamily Project Based Rental Assistance (Section 8)	1,174,914	5,328	1,164,765 ³⁵	-4,000	(958)	1,163,807	(7,042)	1,156,765	(1,000)	1,155,765
Rental Assistance Demonstration (RAD) units move to PBRA	-	30	30	7,125	2,502	2,532	13,128	15,660 ³⁶	27,840	43,500
Other Multifamily Subsidies ³⁷	171,216	(4,870)	166,346	(12,000)	(3,414)	162,932	(20,586)	142,346	(4,000)	138,346
Project Rental Assistance Contract (Sect. 202 & 811)	142,977	2,647	145,624	2,568	3,068	148,692	2,808	151,500	400	151,900
Insured Tax Exempt or Low-Income Housing Tax Credit ³⁸	123,587	2,578	126,165	35,635	38,914	165,079	35,908	200,987	35,000	235,987
Rental Housing Assistance Programs (RAP)	See PBRA	See PBRA	9,704	(247)	(132)	9,572	(1,538)	8,034	(130)	7,904
Rent Supplement	See PBRA	See PBRA	5,773	1,698	(2,152)	3,621	(1,086)	2,535	(891)	1,644
Mortgage Insurance for Residential Care Facilities (Sect. 232) ³⁹	2,380	1,484	3,864	750	1,096	4,960	404	5,364	1,110	6,474
TOTAL Housing Programs	1,615,074	7,197	1,622,271	28,133	38,924	1,661,195	21,996	1,683,191	58,329	1,741,520
Tenant Based Rental Assistance (HCV)	2,207,724	(14,179)	2,179,437	3,463	(20,831)	2,158,606	73,194	2,231,800	9,000	2,240,800
Rental Assistance Demonstration (RAD) units move to TBRA	-	4,565	4,565	12,028	5,829	10,394	15,663	26,057	33,017	59,073
Public Housing	1,091,758	(1,287)	1,090,471	(18,473)	(7,480)	1,082,991	(33,065)	1,049,926	(92,281) ⁴⁰	957,646
PIH Mod Rehab	22,874	(436)	22,438	(1,068)	(1,315)	21,123	(705)	20,418	(705)	19,713
Mainstream Vouchers	See HCV		14,108	(1,131)	(428)	13,680	390	14,070	-	14,070
Native American Housing (ONAP)	11,469	416	11,885	594	544	12,429	594	13,023	594	13,617
TOTAL Public and Indian Housing	3,333,825	(10,921)	3,322,904	(4,587)	(23,681)	3,299,223	56,071	3,355,294	(50,376)	3,304,918
HOME Rental	257,582	17,674	275,256	20,000	(5,422)	269,834	15,166	275,000 ⁴¹	(6,000)	269,000

Households in Occupied Rental Units Receiving Assistance by Program	FY2012 Cumulative Baseline	FY2013 Incremental Actual	FY 2013 Cumulative Actual	FY 2014 Incremental Target	FY 2014 Incremental Actual	FY 2014 Cumulative Actual	FY 2015 Incremental Target	FY 2015 Cumulative Target	FY 2016 Incremental Target	FY 2016 Cumulative Target ³⁴
McKinney / Continuums of Care (CoC)	119,917	5,647	125,564	5,019	4,009	129,573	6,087	135,660	4,000	139,660
Tax Credit Assistance Program	43,266	16,233	59,499	NA	81	59,580	NA - Expired	59,580	-	59,580
Community Development Block Grants – Disaster Relief	22,443	5,107	27,550	NA	15,707	43,257	11,832	55,089	7,985	63,074
Housing Opportunities for Persons Living With AIDS (HOPWA)	25,706	(672)	25,034	(346)	767	25,801	(1,189)	24,612	TBD	24,612
Neighborhood Stabilization Program	8,658	6,874	15,532	NA	6,012	21,544	NA - Expired	21,544	-	21,544
HOME TBRA	21,028 ⁴²	(19,634)	1,394	NA	(269)	1,125 ⁴³	-	1,095	-	986
TOTAL Community Planning and Development	498,600	31,229	529,829	24,673	20,885	550,714	31,896	572,580	1,985	578,456
HUD TOTAL	5,447,499	27,505	5,475,004	48,219	36,128	5,511,132	109,963	5,611,065	9,939	5,624,894

³⁴ FY16 cumulative target still under development. FY16 target includes 2015 cumulative for programs with 2016 targets "TBD"

³⁵ FY13 baseline for several Housing programs changed to reflect new database behavior.

³⁶ Previous target of 17,130 was based on cumulative data; FY14 conversions are now reflected in PBRA. Starting in FY15, RAD occupancy assumed to be 87% to reflect occupancy in converting Public Housing units.

³⁷ Other MFH subsidies includes Old Section 202, Section 221(d)(3) Below Market Interest Rate, and Section 236 Interest Reduction Payment only.

³⁸ The notable increase in the FY2014 target is caused by the addition of renewals with at least 15 years of affordability remaining.

³⁹ Units reported here for the Section 232 program include only units added since the beginning of FY12, when the program was added to this goal.

⁴⁰ Large projected losses to Public Housing due largely to increased pace of RAD conversions, which turn Public Housing units into project- or tenant-based rental assistance.

⁴¹ Reduction to targets due to new analysis of HOME Rental units with ending affordability periods; not counted here as they receive some project- or tenant-based rental assistance..

⁴² HUD adopted a new methodology for counting assisted households in the HOME TBRA program. Until FY13, it was assumed that assisted households received assistance for the maximum two years allowed. Since many households receive more short-term help, HUD will henceforth assume households are only assisted within the quarter of their initial assistance.

⁴³ Year-end data reflect number of households receiving HOME TBRA in Q4 of the respective year. Previous year's total does not carry over. FY15-16 cumulative targets are placeholders.

*HOPWA,
AIDS Ribbon on
HUD Building*





RETROSPECTIVE:

*FY 2014-2015 Agency
Priority Goal ★ Affordable
Rental Housing*

PROGRESS UPDATE

HUD did not meet its FY 2014 target of 48,645 additional households served, providing affordable rental housing to 36,128 additional households, or approximately 74 percent of its target.

Multifamily Housing exceeded most of its goals for both the preservation and the production of rental housing. Collectively, Multifamily programs exceeded the FY 2014 target by 10,000 units. A major part of this effort came through a focus on a number of maturing projects. For example, Multifamily preserved 32.1% of maturing 236 and 202 projects with HUD use agreements or 20-year HAP contracts. Policy efforts and the launch of the Office of Recapitalization under the Multifamily Transformation made preservation transactions more feasible in FY 2014, enabling Multifamily to preserve more Section 202, Section 236 and BMR units than anticipated. In addition, tax credit reform efforts including aligning programs with the LIHTC program has enabled Multifamily to exceed the targeted number of units with firm commitments restricted under LIHTC and Tax Exempt Bonds.

Collectively, Community Planning and Development (CPD) programs did not meet their FY 2014 goal, falling short by roughly 2,400 units. This was largely due to the unexpected significant increase in the percentage of HOME rental households also receiving Section 8 rental assistance. Additionally, over 7,000 occupied HOME rental units were no longer counted in FY 2014 because the period of affordability for those units expired during the year. CPD's HOME program is addressing these forecasting issues for future targets.

For Public and Indian Housing (PIH) programs, an uncertain fiscal environment remained a fundamental challenge. As a result, PIH programs collectively missed their goal of a net loss of 4,161 units, losing 23,681. Public housing authorities, still reeling from the unprecedented cuts to the voucher program budgets in the previous two fiscal years, remained hesitant to lease units quickly throughout the 2014 year, choosing in some cases to rebuild reserves devastated by sequestration. Voucher lease-ups have increased in the first half of FY 2015. More Public Housing units were preserved than anticipated, partially because RAD conversions of Public Housing units happened at a slower pace than anticipated, and also because more construction of new units was completed than anticipated.

For detailed quarterly assessments of progress, readers may consult the quarterly updates on Performance.gov.

*Groundbreaking
for Alder Creek
Apartments*





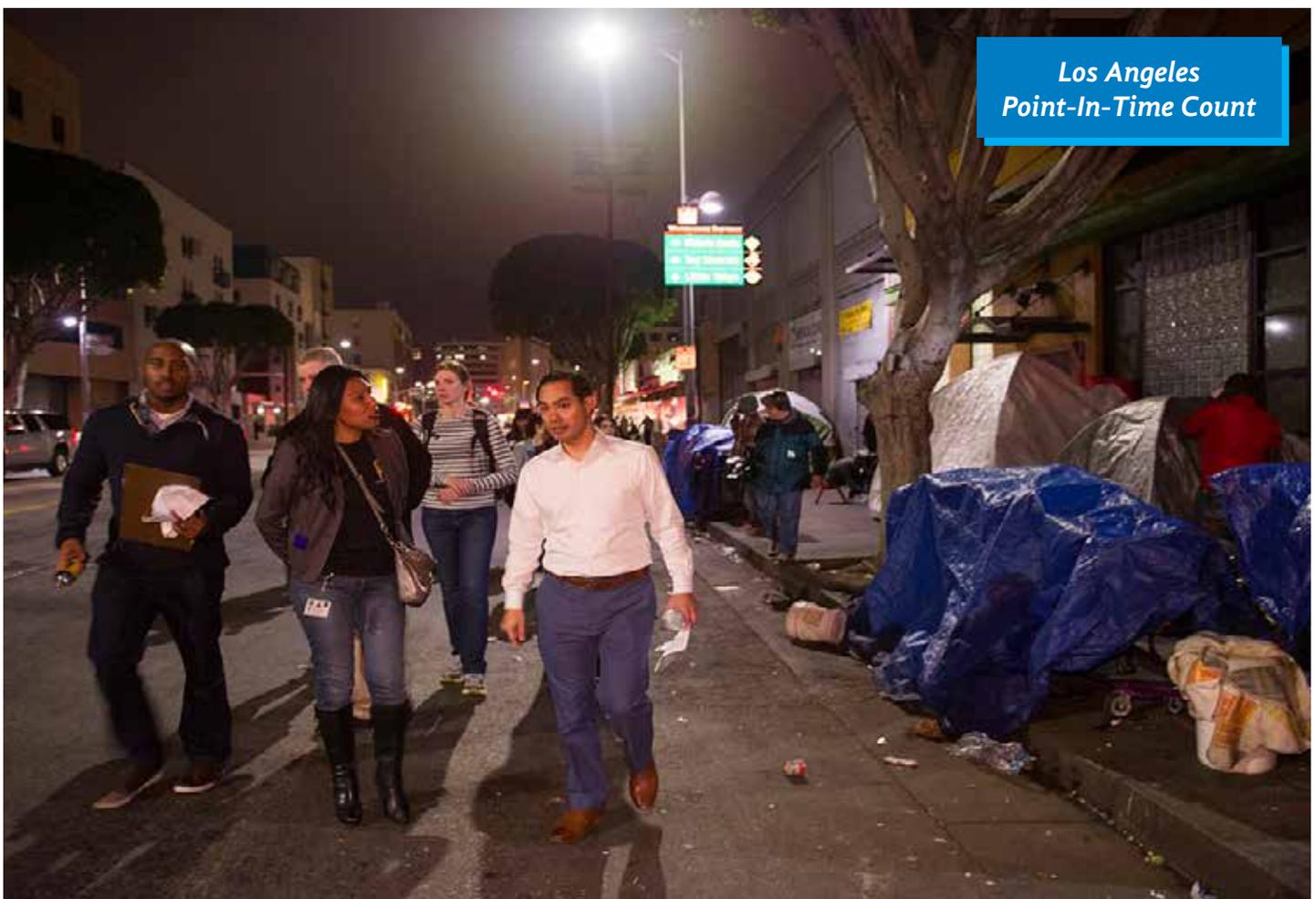


STRATEGIC GOAL:

*Use Housing as a Platform
for Improving Quality of Life*

Stable housing, made possible with HUD support, provides an ideal platform for delivering a wide variety of health and social services. Through interagency partnerships at the federal, state, and local levels, HUD will use housing as a platform for coordinating access to a wide variety of services to lower healthcare costs, end homelessness, and support community living. In addition to the moral imperative to end human suffering caused by homelessness, there are compelling economic reasons for investing in efforts to eradicate this complex social problem. To achieve this goal, HUD will continue to partner with local, state, and federal organizations, including the U.S. Interagency Council on Homelessness, to deploy evidence-based interventions, such as supportive housing, Housing First, and rapid re-housing, to more effectively and efficiently use the nation's limited resources to bring an end to homelessness.

- ▶ **Strategic Objective:** End homelessness for Veterans, people experiencing chronic homelessness, families, youth, and children.
- ▶ **Strategic Objective:** Promote advancements in economic prosperity for residents of HUD-assisted housing.
- ▶ **Strategic Objective:** Promote the health and housing stability of vulnerable population.



Strategic Objective: Homelessness

End homelessness for Veterans, people experiencing chronic homelessness, families, youth, and children.

OVERVIEW

HUD's annual "Point-in-Time" count estimates the scope of homelessness on a single night in January. Based on data reported by more than 3,000 cities and counties, the January 2014 one-night estimate reveals a 33 percent drop in homelessness among Veterans and a 21 percent reduction among individuals experiencing long-term or chronic homelessness since the 2010 release of *Opening Doors*. HUD's estimate also found the largest decline in the number of persons in families experiencing homelessness since the Department began measuring homelessness in a standard manner in 2005. Overall, a total of 578,424 people experienced homelessness in the United States on a single night in January 2014.

In 2010, the Obama administration released *Opening Doors*⁴⁴, the first-ever comprehensive federal strategic plan to prevent and end homelessness. The plan set the stage for HUD's goals of preventing and ending homelessness for Veterans by 2015; preventing and ending homelessness for individuals experiencing chronic homelessness by 2017⁴⁵; preventing and ending homelessness for families, youth, and children by 2020; and ultimately setting a path to ending all types of homelessness.

Over the next five years, HUD will work with its partners to deploy the solutions that we know are effective for the right persons, such as rapid re-housing and permanent supportive housing. These tools must be informed by a Housing First approach, where preconditions and barriers to housing entry are removed and people move into housing as quickly as possible. HUD and its partners are taking concerted steps to understand the best strategies to prevent and end homelessness among unaccompanied youth, especially for high-risk groups, including youth aging out of foster care and LGBTQ youth. HUD's success in reducing homelessness is contingent upon effectively using and targeting resources. However, continued investments in programs that work, such as HUD's Homeless Assistance Grants, are crucial to reaching the goals laid out in *Opening Doors*.

STRATEGIES

- **Implement the 2009 McKinney-Vento Homeless Assistance Act amendments**, and encourage Continuums of Care (CoC) to use their existing resources more effectively. In particular, CoCs are urged to reallocate existing projects in favor of creating new permanent supportive housing for individuals experiencing chronic homelessness or rapid re-housing for households with children that are coming from the streets or shelters. Communities continue to prioritize the chronically homeless and those whose needs are most severe in all existing permanent supportive housing.
- **Fully engage and leverage mainstream housing assistance**, including Housing Choice vouchers, public housing, HOME Investment Partnerships and Community Development Block Grants, and

⁴⁴ United States Interagency Council on Homelessness, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (June 2010).

⁴⁵ United States Interagency Council on Homelessness, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness* (2015 Amendment)

multifamily housing. We will build capacity among public housing authorities and multifamily owners to admit homeless households into their units and provide them with vouchers.

- **Improve data and performance management** through strategies to share data across systems, adoption of a common data standard for housing stability, and use of Homeless Management Information Systems (HMIS) by homeless programs funded by the Department of Veterans Affairs (VA) and the Department of Health and Human Services (HHS).
- **Continue to strengthen collaborations** at all levels of government and with the private sector, including within HUD and with the US Interagency Council on Homelessness (USICH), the VA, HHS, the Department of Labor, the Department of Education, the Department of Agriculture, and others.
- **Implement USICH Framework to End Youth Homelessness**, including integrating HMIS and Runaway and Homeless Youth Management Information systems (RHYMIS), leveraging HUD's Point-in-Time count to improve strategies for counting youth experiencing homelessness.
- **Promote implementation of coordinated assessment systems for CoCs** through training, technical assistance, and guidance by the Office of Special Needs Assistance Programs to better target resources.

LEADING THIS OBJECTIVE

Jennifer Ho
Senior Advisor on Housing and Services
Office of the Secretary

FY14 APR PROGRESS UPDATE

Detailed update provided under FY14-15 APG Progress Update.



MAJOR MILESTONES

- 9/30/2014** **Publish guidance for CoCs on how to improve the way they count youth for the 2015 PIT Count, based on YouthCount! Findings.** *Achieved as of this publication.*
- HUD published the Point-in-Time Count Methodology Guide, which provides standards that CoCs are required to follow to ensure the highest quality count possible. HUD included a section in this guide on best practices and issues to consider when counting homeless youth, in effect for the 2015 PIT count.
- 12/31/2014** **Determine and communicate metrics to help HUD and the VA, and local communities, understand what it means to end Veteran homelessness.** *Achieved as of this publication.*
- HUD, VA, and USICH together decided upon criteria to assess communities' claims of ending Veteran homelessness. The criterion was disseminated to mayors and is published online at: <http://usich.gov/action/what-it-means-to-end-homelessness/criteria-for-achieving-the-goal-of-ending-veteran-homelessness>.
- 1/31/2015** **Execute the FY 2013 and FY 2014 CoC Program competitions by the end of 2014.** *Achieved as of this publication.*
- The final awards of the FY14 competition, included the bonus funding of new Permanent Supportive Housing programs, were announced in the second week of January 2015 and will be disbursed throughout the calendar year.
- End of 2015** **End Veteran homelessness.** This milestone will be measured by the 2016 Point-in-Time count.
- 1/31/2016**
 - With VA, encourage maximum participation among communities in the 2016 PIT count.
- End of 2017** **End chronic homelessness.**
- 5/31/2015**
 - Publish the Chronic Homelessness definition Final Rule.
- 9/30/2015**
 - Implement additional data elements to better identify chronically homeless persons in HMIS and update HUD's application and reporting documentation to allow for improved data collection on individuals experiencing chronic homelessness and on PSH prioritization.⁴⁶
- 12/1/2015**
 - Projects awarded bonus funds in FY 2014 for PSH dedicated units to serve the chronically homeless will begin operation throughout 2015.⁴⁷
- End of 2020** **End youth homelessness.**
- 11/1/2015**
 - Integrate Homeless Management Information System (HMIS) and HHS's Runaway and Homeless Youth Management Information Systems (RHYMIS) to better track and engage youth in services.
- 1/1/2017**
 - Complete the LGBTQ Youth Homelessness Prevention Initiative in two pilot communities.

End of 2020 End family homelessness.

7/8/2015

- Release the Impact of Housing and Services Interventions on Homeless Families 18-month Interim Report.

7/31/2015

- Provide Public Housing Authorities and Multifamily property owners with resources and assistance for serving families and households experiencing homelessness.

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MEASURING OUR PROGRESS

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

🌟 Fiscal Year 2014–2015 Agency Priority Goal:

End Veterans Homelessness

▶ 🌟 **Total Veterans living on the streets, experiencing homelessness (key indicator)**

This metric will be measured by the annual Point-in-Time count, a count of homeless persons on a single night in January each year.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
20,870 ⁴⁸	17,885	No Data ⁴⁹	4,000	0	0

▶ 🌟 **Total homeless Veterans temporarily living in shelters or transitional housing (key indicator)**

This metric will be measured by the annual Point-in-Time count, a count of homeless persons on a single night in January each year.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
34,909 ⁵⁰	32,048	No Data ⁵¹	23,500	12,500	12,500

⁴⁶ This milestone’s completion date has been updated from the October 2015 date in the FY 2015 APP. Milestone dates are associated with the PIT count by which HUD hopes to have ended homelessness for the subgroups “chronic” (here) and “youth” (next milestone). HUD continues to work with CPD/SNAPS to provide updated target dates.

⁴⁷ Operating period start dates vary across CoCs and occur throughout calendar year 2015.

⁴⁸ The PIT estimates from FY 2012 are slightly lower than those reported in past APP/APRs. The reduction reflects an adjustment to the estimates of unsheltered homeless individuals submitted by the Los Angeles City and County Continuum of Care (CoC).

⁴⁹ A full calculation of HUD’s impact on reducing homelessness by the end of FY 2014 will be assessed during final analysis of results from the Point-In-Time (PIT) Count of the homeless population throughout the nation, scheduled to take place on a single night in January 2015 and will be made available in fall 2015.

▶ **🎯 Veterans placed in permanent housing (supporting indicator shared by VA and HUD)**

This includes moves into HUD–Veterans Affairs Supportive Housing (HUD-VASH) Program, rapid re-housing placements through Supportive Services for Veteran Families (SSVF) program, and moves from VA residential treatment programs into permanent housing.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA ⁵²	48,061	53,475	40,000	49,000 ⁵³	49,000

▶ **🎯 Homeless Veterans served with transitional housing through Continuum of Care Program resources (supporting indicator; HUD only)**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
10,734	10,789	No Data ⁵⁴	9,661	9,178	8,902

▶ **🎯 Homeless Veterans served with permanent supportive housing through Continuum of Care Program resources (supporting indicator; HUD only)**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
11,962	12,919	No Data ⁵⁵	13,306	13,705	14,117

OTHER MEASURES:

▶ **Individuals experiencing chronic homelessness**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
86,455	84,291	No Data ⁵⁶	80,500	66,000	56,000 ⁵⁷

▶ **Number of new Permanent Supportive Housing beds dedicate⁵⁸ to individuals experiencing chronic homelessness**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
1,932	5,123	No Data ⁵⁹	4,530	5,000 ⁶⁰	25,500 ⁶¹

⁵⁰ See Los Angeles City and County CoC explanation above.

⁵¹ *ibid.*

⁵² Tracking of these compiled permanent housing programs for Veterans began in FY 2014, baseline set in FY 2013.

⁵³ HUD and VA together are proposing an increased FY15 target, in light of successful FY 2014 performance data in this metric. The FY 2015 target reflects our agencies' commitment to serving Veterans experiencing homelessness, while targeting resources most effectively to an increasingly vulnerable population left to serve.

⁵⁴ Data for these measures are not available until the beginning of the third quarter of FY 2015.

⁵⁵ *ibid.*

⁵⁶ Assessed through data collected in the January 2015 Point-In-Time (PIT) Count

⁵⁷ This change in targets from previous reports reflects the amendment to USICH's Opening Doors strategy, whereby HUD aims to end chronic homelessness by the end of 2017.

▶ **Percent of new Permanent Supportive Housing beds dedicated to individuals and families experiencing chronic homelessness**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
36.9%	94.0%	No Data ⁶²	100.0%	100.0%	100.0%

▶ **Percent of Permanent Supportive Housing beds targeted to individuals experiencing chronic homelessness**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA	31%	No Data ⁶³	43%	44%	45%

▶ **Families experiencing homelessness**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
70,960	67,613	No Data ⁶⁴	NA	66,110	58,724

▶ **Admissions of new homeless households into HUD-assisted Housing (Public Housing and Housing Choice Vouchers)⁶⁵**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
12,631	13,315	17,013	NA ⁶⁶	Target TBD	Target TBD

⁵⁸ The term dedicated beds means that the provider is obligated by contract or otherwise to serve chronically homeless persons and when a participant exits the program, the bed must be filled by another chronically homeless participant unless there are no chronically homeless persons located within the geographic area. A bed is prioritized for chronically homeless persons when a participant exits the program and eligible chronically homeless persons are offered the bed before any other population. The term targeted means the sum of dedicated and prioritized beds.

⁵⁹ Beds to be awarded through the FY 2014 Continuum of Care Program competition, released in early 2015.

⁶⁰ This target has been adjusted down from 37,000 to reflect 2015 funding of homeless assistance grants. HUD remains dedicated to increasing the stock of permanent supportive housing and will push for the reallocation of resources in the Continuum of Care Program competition, and seek future grant funding.

⁶¹ This target is contingent upon FY 2016 funding of homeless assistance grants.

⁶² Beds to be awarded through the FY 2014 Continuum of Care Program competition, released in early 2015.

► **Admissions of new homeless families into HUD-assisted Housing (Multifamily)**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data ⁶⁷	NA	Establish Baseline	Target TBD

► **Percent of Emergency Solutions Grant dollars dedicated to Rapid Re-housing for homeless families**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
22.7%	22.4%	No Data ⁶⁸	NA	25.0%	36.0%

⁶³ *ibid.*

⁶⁴ Assessed through data collected in the January 2015 Point-In-Time (PIT) Count.

⁶⁵ For the purposes of this metric, HUD is reporting all households that are experiencing homelessness just prior to admission into Public Housing and Housing Choice Vouchers.

⁶⁶ PIH is actively exploring community needs and capacity to serve families and households experiencing homelessness across public housing agencies to understand if a meaningful target can be set at the national level.

⁶⁷ Admissions data will not be available for 2014 as tracking only became possible in August 2014. Reporting will be mandatory as of February 2015, and will set the baseline future goals.

⁶⁸ Grantee commitments for FY 2014 allocations not yet established.



RETROSPECTIVE:

*FY 2014-2015 Agency
Priority Goal ★ Veterans'
Homelessness*

HUD, in partnership, with Department of Veteran Affairs (VA), aims to reduce the number of Veterans living on the streets, experiencing homelessness to zero (as measured by the 2016 Point-in-Time count).

Total Veterans experiencing homelessness temporarily living in shelters or transitional housing

This metric is measured by the annual Point-in-Time Count, a count of persons experiencing homelessness on a single night in January each year. These counts indicate the impact of the previous fiscal year programs.

	<u>Target</u>	<u>Actual</u>	<u>Change from Previous Year</u>	<u>Target Met?</u>
→ 2010	NA	40,033	-3,404 (↓7.8%)	NA
→ 2011	NA	35,143	-4,890 (↓12.2%)	NA
→ 2012	NA	34,909	-234 (↓.6%)	NA
→ 2013	NA	32,048	-2,861 (↓8.2%)	NA
→ 2014	23,500	No Data		
→ 2015	12,500			
net change, 2010 – 2013		7,985 fewer Veterans temporarily living in shelters or transitional housing		

Total Veterans experiencing homelessness living on the streets

This metric is measured by the annual Point-in-Time Count, a count of persons experiencing homelessness on a single night in January each year. These counts indicate the impact of the previous fiscal year programs.

	<u>Target</u>	<u>Actual</u>	<u>Change from Previous Year</u>	<u>Target Met?</u>
→ 2010	NA	25,612	-5,721 (↓18.3%)	NA
→ 2011	NA	25,626	+14 (Δ0%)	NA
→ 2012	NA	20,870	-4,756 (↓18.6%)	NA
→ 2013	NA	17,885	-2,985 (↓14.3%)	NA
→ 2014	4,000	No Data		
→ 2015	0			
net change, 2010 – 2013		7,727 fewer Veterans living on the streets		

Veterans placed in permanent housing

This measure includes moves into HUD–Veterans Affairs Supportive Housing (HUD-VASH) Program, rapid re-housing placements through Supportive Services for Veteran Families (SSVF) program, and exits from VA residential treatment programs into permanent housing.

	<u>Target</u>	<u>Actual</u>	<u>Change from Previous Year</u>	<u>Target Met?</u>
→ 2013	NA	48,061		NA
→ 2014	40,000	53,475	+5,414 (↑14.3%)	✓
→ 2015	49,000			
→ 2014 + 2015 combined two-year goal	89,000			
net change, 2013 – 2014		101,536 Veterans placed in permanent housing		

Homeless Veterans served with permanent supportive housing through Continuum of Care resources

This measure tracks the number of homeless veterans receiving permanent supportive housing, as reported by HUD’s Continuum of Care Program grant recipients.

	<u>Target</u>	<u>Actual</u>	<u>Change from Previous Year</u>	<u>Target Met?</u>
→ 2010	NA	4,053		NA
→ 2011	NA	6,982	+2,929 (↑72%)	NA
→ 2012	3,728	11,962	+4,980 (↑71%)	✓
→ 2013	3,857	12,919	+957 (↑8%)	✓
→ 2014	13,306	No Data ⁶⁹		
→ 2015	13,705			
→ 2014 + 2015 combined two-year goal	27,011			
net change, 2010 – 2013		35,916 Veterans served with permanent supportive housing through CoCs		

⁶⁹Data for these measures are not available until the beginning of the third quarter of FY 2015.

Homeless Veterans served with transitional housing through Continuum of Care resources

This measure tracks the number of homeless Veterans receiving transitional housing, as reported by HUD's Continuum of Care Program grant recipients.

	<u>Target</u>	<u>Actual</u>	<u>Change from Previous Year</u>	<u>Target Met?</u>
→ 2010	NA	7,274		NA
→ 2011	NA	8,443	+1,169 (↑16%)	NA
→ 2012	NA	10,734	+2,291 (↑27%)	NA
→ 2013	NA	10,789	+55 (↑1%)	NA
→ 2014	9,661	No Data ⁷⁰		
→ 2015	9,178			
→ 2014 + 2015 combined two-year goal	18,839			
net change, 2010 – 2013		37,240 Veterans served with transitional housing through CoCs		

⁷⁰ Beds to be awarded through the FY 2014 Continuum of Care Program competition, released in January 2015.



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Years

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Impact Veterans Family Housing Center Breaks Ground in Philadelphia



RETROSPECTIVE:

*FY 2014-2015 Agency
Priority Goal ★ End
Veterans Homelessness*

FY14-15 APG PROGRESS UPDATE

The HUD-VASH program provides homeless veterans with vouchers through the Housing Choice Voucher program so they can access rental housing in the private market. Key components of the HUD-VASH program are the case management and clinical services provided by the Department of Veterans Affairs (VA) medical centers and in the community as a condition of receiving a HUD-VASH voucher. These vouchers are targeted to Veterans experiencing chronic homelessness and those with the most severe health and service needs. Currently, the program serves more than 52,000 Veterans. Since the program's inception in 2008, more than 80,000 Veterans found housing through HUD-VASH.



Secretary Castro Visits Louisville, KY

Veterans also receive assistance through HUD's Continuum of Care (CoC) program, which is operating in 410 geographic areas across the country, coordinating efforts to end homelessness in their areas. Veterans experiencing chronic homelessness, but not eligible for the HUD-VASH program, are served through CoC permanent supportive housing, which, in 2013, assisted 12,919 Veterans. The CoC programs offered transitional housing resources to another 10,789 Veterans through the FY 2013 competition, in operation throughout 2014. The full impact of these services in reducing Veteran homelessness will be assessed in the January 2015 Point-in-Time count.

Since the 2010 release of the Opening Doors report, the number of Veterans experiencing homelessness has declined by 33 percent. In addition, during the Point-in-Time count in January 2014, there were 49,933 Veterans experiencing homelessness, representing a decline of 10.4 percent since the Point-in-Time count of January 2013. HUD's progress in ending Veteran homelessness has been driven by the use of a Housing First approach, reducing barriers to housing, and targeting resources effectively. Moreover, communities are implementing strategies across medical, nonprofit, private, and governmental stakeholders that better assess and meet the housing and services needs of Veterans experiencing homelessness. In fact, as of April 2015, 570 leaders in cities, counties, and states signed onto the "Mayors Challenge," a call-to-action for mayors to make a commitment to ending Veteran homelessness in 2015.

For detailed quarterly assessments of progress, readers may consult the quarterly updates on Performance.gov.

Strategic Objective: Economic Prosperity

Promote advancements in economic prosperity for residents of HUD-assisted housing.

OVERVIEW

Residents of HUD-assisted housing often face challenges such as lack of employable skills and low educational attainment levels that limit their ability to become economically self-sufficient and rise out of poverty. The Department recognizes that while some families and individuals will need assistance for longer periods, others are capable, with assistance, of rising out of poverty. A majority of adults receiving rental assistance who are able to work have some income from wages; however, they are most often in the lowest-paying jobs. Further, increasing workplace demands for technical expertise require attention to education and training for both adults and youth, including digital literacy. HUD will utilize its housing platform to expand access to employment and educational services. HUD seeks to significantly increase the economic opportunities available to low-income residents in neighborhoods where it invests, particularly through the Family Self Sufficiency (FSS) program and Section 3.⁷¹

STRATEGIES

- **Build evidence on effectiveness of programs that promote economic self-sufficiency** by evaluating the FSS program through a randomized controlled trial by 2018.
- **Implement an evidence-based evaluation to improve reentry outcomes for formerly incarcerated individuals and their communities.** HUD will assess models that deliver permanent supportive housing linked with employment, behavioral health services, and family unification. HUD is considering options ranging from an evaluation of existing PHA reentry programs to an interagency effort that would involve leveraging private/philanthropic investments to support permanent supportive housing plus services within a pay-for-success framework.
- **Expand the Section 3 Business Registry system nationwide.** In March 2014, the Section 3 business Registry was expanded from a pilot program in five metropolitan areas to a national resource for meeting the regulatory requirements of Section 3. The Section 3 Business Registry serves to assist grantees and PHAs with identifying and notifying prospective Section 3 businesses about the availability of local HUD-funded contracting opportunities; provide uniform self-certification procedures; and increase the pool of Section 3 businesses that may submit bids for HUD-funded contracts. Expanding the registry nationwide will be supported with training, HUD guidance, and marketing to increase awareness of this resource.
- **Strengthen collaboration between HUD programs to ensure recipients have adequate guidance and technical assistance and that HUD has a coordinated approach to compliance.** Section 3 compliance is overseen by HUD's Office of Fair Housing and Equal Opportunity, but funding is distributed to recipients through other program offices, including the Office of Public and Indian Housing, the Office of Community Planning and Development, the Office of Housing, and the

⁷¹ [Section 3](#) of the Housing and Urban Development Act of 1968 requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods and to the businesses that substantially employ them.

Office of Lead Hazard Control and Healthy Homes. Increased coordination, both by providing technical assistance and resolving compliance issues, will increase the impact that Section 3 has on communities.

LEADING THIS OBJECTIVE

Gustavo Velasquez
Assistant Secretary
Office of Fair Housing and Equal Opportunity

Dominique Blom
Deputy Assistant Secretary
Office of Public Housing Investments

FY14 APR PROGRESS UPDATE

HUD strives to support the economic opportunity of all residents and put them on a path to prosperity and self-sufficiency. In FY2014, the Family Self-Sufficiency (FSS) program was expanded to residents in Multifamily Housing properties in addition to our Public Housing and Housing Choice Voucher recipients. As of the end of FY14, 72.1% of FSS participants had increased their wages following enrollment in the program. HUD is working to develop new, locally-based approaches to increase earnings and advance employment outcomes for Public Housing residents, developing and releasing our Notice for Funding Availability for the Jobs Plus Pilot Program in October 2014. The pilot will direct \$24 million to support work readiness, employer linkages, job placement and financial literacy for residents in an estimated eight communities.

MAJOR MILESTONES

Section 3

11/30/2014 **Release proposed Section 3 Rule.** *Achieved as of this publication.*

HUD submitted the proposed Section 3 Rule to OMB in August 2014 and received feedback in December 2014. After responding to comments, the rule will be submitted to the Federal Register for a 60 day public comment period, after which the agency will decide further action on issuance.⁷²

6/30/2015 **Release new Section 3 reporting tool for funding recipients.**⁷³

12/30/2015⁷⁴ **Collect baseline data on Section 3 results using new Section 3 reporting tool.**

⁷² In the FY13 APR/FY15 APP, FHEO set milestones for the proposal and publishing of the Section 3 Rule. There is now concern about publicly stating we will publish a rule before it goes through the public comment period. Those milestones were removed and replaced with this language.

⁷³ The Section 3 business tool release has been delayed due to technical issues. (Remedy of these issues depends on the level of FY15 HUD IT funding.)

9/30/2016 **Develop technical assistance strategy and materials, and deliver technical assistance on Section 3.**

OTHER MILESTONES

3/31/2015 **Implement the Jobs Plus program** to enhance and measure impact of the place-based employment and asset-building model.

9/30/2015 **Assess current capacity of Neighborhood Network Centers** in Multi-family and public housing developments to improve understanding of residents' digital literacy and access to online resources.

MEASURING OUR PROGRESS

To help achieve this objective, HUD has established following performance indicators.

- ▶ **Percent of participants enrolled in the Family Self Sufficiency program who have increased wages⁷⁵**

CY12 Actual	CY13 Actual	CY14 Actual	CY14 Target	CY15 Target	CY16 Target
69.3%	69.9%	72.1%	NA	72%.0	74.0%

[Section 3](#) of the Housing and Urban Development Act of 1968 requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their neighborhoods and to the businesses that substantially employ them.

- ▶ **Percent of Section 3 residents hired, of total hiring that occurs as a result of Section 3 covered HUD funding**

Note: The regulatory target for Section 3 residents hired is 30 percent of total hiring.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
44.1%	NA ⁷⁶	NA	45.0%	45.0%	47.0%

⁷⁴ Collection of baseline data has been delayed due to the technical issues with the Section 3 reporting tool. Establishing this baseline will depend on successfully executing required enhancements to this system.

⁷⁵ Previous targets and actuals, which were inaccurate due to a computing error, have been replaced.

⁷⁶ HUD is experiencing deployment issues of a new Section 3 reporting tool to capture this information. Consequently this data is not available for FY 2013, and is currently delayed for FY 2014 reporting until technical issues are resolved.

► **Percent of total dollar amount of construction contracts awarded to Section 3 businesses by covered HUD funding**

Note: The regulatory target for Section 3 business construction contracts is 10 percent of the total dollar amount of construction contracts.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
7.1%	NA ⁷⁷	NA	9.5%	10.0%	12.5%

► **Percent of total dollar amount of non-construction contracts awarded to Section 3 businesses by covered HUD funding**

Note: The regulatory target for Section 3 business non-construction contracts is 3 percent of the total dollar amount of non-construction contracts. The proposed rule eliminates this minimum numerical goal by FY2016

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
3.4%	NA ⁷⁸	NA	3.5%	3.5%	TBD

► **Number of self-certified Section 3 businesses in HUD's registry nationwide**

The Section 3 business registry was released nationwide in March 2014.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA	551	808	Establish Baseline	1,000	1,200

► **Number of states with Section 3 certified businesses in HUD's registry**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
NA	7	27 ⁷⁹	25	35	40



HUD Section 3 FHEO

⁷⁷ *ibid.*

⁷⁸ *ibid.*

⁷⁹ This represents 27 unique locations, including 25 states, the District of Columbia, and Puerto Rico.

Strategic Objective: Health and Housing Stability

Promote the health and housing stability of vulnerable populations.

OVERVIEW

Many residents of HUD-assisted housing face health-related challenges, especially the elderly, people with disabilities, people experiencing homelessness, and those individuals and families at risk of becoming homeless. New studies of the health status of HUD residents show that they have higher rates of chronic health conditions and higher utilization of hospitals and emergency rooms than peer comparison groups. Some may have a criminal record or a history of homelessness, be making the transition out of military service back into civilian life or be transitioning out of health care treatment settings.

In 2013, one out of every six Americans did not have health insurance. Hardworking families in HUD housing may not get insurance from their employers, and they may not make enough money to afford a plan for their family. Without health insurance, families risk forgoing necessary preventive care or facing economic catastrophe from a major illness.

In January 2014, many more affordable insurance options became available through the new health insurance marketplaces, including, in those states that have opted in, an expansion of Medicaid. When residents of HUD-assisted housing also have health insurance, they gain an additional stepping stone to better health and financial security. This makes for healthier, stronger households and communities.

HUD has a history of prioritizing and incentivizing grantees' effort to improve access to health care services through a variety of initiatives, including annual grant competitions. In recent years, the Affordable Care Act (ACA) has significantly expanded the range and type of opportunities available for improving the kind of system integration and service coordination that HUD has cultivated for several years. Today, more than 10 million newly insured Americans find peace of mind and security in their ability to access quality, affordable health services. As the health care system develops new tools to provide better care at a lower cost, new partnerships are needed between housing and the health care system.

HUD's FHA mortgage insurance programs also works to lower costs, by insuring mortgages for residential care facilities such as nursing homes and assisted living facilities for the elderly. Mortgage insurance enable facilities to more affordably improve quality standards and care to these patients. As of 2014, HUD insures over 3,000 residential care facilities in all 50 states, including the Virgin Islands, which serve approximately 366,000 Americans. Over 50 percent of these residents and patients are Medicaid-eligible and are among America's most vulnerable population.

The Office of HIV/AIDS Housing administers Housing Opportunities for Persons With AIDS (HOPWA), another clear demonstration of how housing stability drives better health outcomes. The HOPWA program's supportive housing improves access to critical health services and reduces HIV viral transmission for participants. The Department's action-oriented white paper entitled, *HIV Care Continuum – The Connection Between Housing*

and Improved Outcomes Along the HIV Care Continuum emphasizes the intersection of housing and health care for those living with HIV in an effort to educate communities by demonstrating stable housing as key HIV prevention and care strategy within the framework of coordinated HIV services and care. Accelerating improvements in health outcomes for all individuals living with HIV is a national priority.

Additionally, work led by the Department of Justice (DOJ) and HHS related to enforcement of and compliance with the Supreme Court's *Olmstead* decision⁸⁰ reinforces the rights of individuals with disabilities to live, work, and receive services in the greater community in the most integrated setting appropriate to their needs. As a result of *Olmstead*, there is a significant need for affordable, integrated housing opportunities where individuals with disabilities are able to live and interact with individuals without disabilities. Achieving this goal requires an increase in the supply of integrated housing options so that individuals have meaningful choice in where they live.

HUD also helps protect the health of residents of assisted multifamily and public housing from both direct and environmental (i.e., second-hand and third-hand) tobacco smoke exposure by encouraging owners of assisted housing and public housing agencies to issue and implement smoke free policies, and by providing outreach and technical support. As of September 2014, 571 public housing agencies, that is, 18 percent of public housing authorities, had implemented smoke-free policies, protecting residents in about 200,000 housing units. The Department will enhance those efforts to help reduce the extent of this public health problem among residents of its housing portfolio.

STRATEGIES

- **Promote health and financial stability of vulnerable populations by improving access to and effective utilization of health care services.** HUD will identify ways to better capture health insurance status of HUD-assisted households and partner with state Medicaid programs to promote more efficient connections to health insurance enrollment options and services.
- **Build evidence on effective models for coupling services with housing** and modify existing and future programs to reflect best practices.
- **Improve performance management by enhancing HUD's collection and analysis of data** pertaining to health-related outcomes across HUD-assisted housing programs. Also improve HUD's ability to integrate and/or conduct administrative data matches with other partner federal programs.
- **Seek to increase the percentage of HOPWA households receiving permanent supportive housing** who are stably housed and who accessed or maintained access to care. The HIV Care Continuum Initiative provides a framework to identify points where individuals living with HIV are not connected to care and to seek ways to monitor and evaluate the effectiveness of interventions.
- **Assist with enforcement and implementation of the Supreme Court's *Olmstead* decision**, in collaboration with HHS, DOJ, and state agencies, through facilitating expansion of integrated housing opportunities for people with disabilities transitioning out of institutions/at risk of institutionalization, including people experiencing homelessness.
- **Increase the number of public housing agencies that have issued smoke-free policies.** In accordance with recommendations by the Surgeon General,^{81,82} and the systematic review by the Department of Health and Human Services-chartered Task Force on Community Preventive Services on the effectiveness of smoke-free policies,⁸³ the public health of residents of public housing, both smokers and non-smokers, is improved when the management issues and implements a smoke free

policy. Research by the Centers for Disease Control and Prevention indicates that such policies in assisted housing are associated with cost savings.⁸⁴ HUD will expand its encouragement of such policies through notices, guidance, outreach, and technical support and will track the issuance and implementation of smoke-free policies by public housing agencies.

LEADING THIS OBJECTIVE

Jennifer Ho
Senior Advisor on Housing and Services
Office of the Secretary

FY14 APR PROGRESS UPDATE

HUD is working to meet the needs of the most vulnerable populations, including individuals experiencing chronic homelessness, individuals living with disabilities, and older adults, and ensure the healthiest environments for residents of Public Housing and other HUD-assisted properties. Through research and collaboration with HHS, we are promoting the impact of supportive housing on the health and health care utilization of highly vulnerable populations. In October 2014, the Office of Special Needs Assistance Programs (SNAPS) and the Office of HIV/AIDS Housing (OHH) announced a technical assistance partnership with the US Interagency Council on Homelessness and the US Department of Health & Human Services to strengthen the connections between homeless assistance providers and mainstream healthcare services. The initiative, to be carried out through 2015, will improve access and effective utilization of Medicaid, Federally Qualified Health Centers, and other health services, thereby freeing up HUD dollars to direct towards housing. Solidifying partnerships between state housing agencies (and state Medicaid and health and human services agencies) was also crucial work for the 811 Project Rental Assistance Demo in FY2014, for reaching extremely low-income persons with disabilities requiring long term services and supports. The first participants in these units are expected in spring 2015. HUD is also developing a strategy to meet the housing choice, affordability and accessibility needs of older adults and an aging America, partnering with HHS for demonstrations and ensuring our mortgage investments support high quality facilities. In FY2014, HUD's Section 232 nursing home portfolio maintained an average CMS Star rating of 3.2, surpassing the 2014 target and on par with the national average even with some of the riskiest credits, serving vulnerable populations.

⁸⁰ *Olmstead v. L.C.*, 57 U.S. 581 (1999)

⁸¹ The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General, 2014; www.surgeongeneral.gov/library/reports/50-years-of-progress/index.html

⁸² Reducing Tobacco Use. A Report of the Surgeon General, 2000; www.cdc.gov/tobacco/data_statistics/sgr/2000/index.htm

⁸³ Task Force on Community Preventive Services. The Guide to Community Preventive Services: What Works to Promote Health?, 2005; www.thecommunityguide.org/tobacco/Tobacco.pdf

⁸⁴ King BA, Peck RM, Babb SD. Cost Savings Associated with Prohibiting Smoking in U.S. Subsidized Housing. *Am J Prev Med.* 2013 Jun;44(6):631-4; www.ncbi.nlm.nih.gov/pubmed/23683981

MAJOR MILESTONES

- 9/30/2014** **With HHS, publish report for evaluation of the impact of linking supportive services with health care coordination through Supports and Services at Home (SASH) on health care utilization, health care costs, and health outcomes among HUD-assisted households.** *Achieved as of this publication.*
- The first of three SASH reports was published in FY 2014: <http://aspe.hhs.gov/daltcp/reports/2014/sash1.cfm>
- Ongoing** **Building evidence of effective models and cross system impact**
- Spring 2015*
- With the Centers for Medicare and Medicaid Services (CMS), provide a draft memo on enrollment and eligibility for Medicaid and Medicare among HUD-assisted individuals and descriptive information about high health care utilizers (in 12 jurisdictions).
- Spring 2015*
- Continue to engage CMS and HHS in the Aging in Place Demonstration and Evaluation.
- Summer 2015*
- With HHS, publish second report for evaluation of the impact of linking supportive services with health care coordination through Supports and Services at Home (SASH) on health care utilization, health care costs, and health outcomes among HUD-assisted households.
- 8/31/2015*
- Publish process evaluation report of the Section 811 Project Rental Assistance Demonstration to examine implementation outcomes.
- 12/31/2015*
- Using data matched to HUD-assisted household identifiers, prepare a publication with the National Center for Health Statistics (NCHS), on descriptive household characteristics, health outcomes and disparities, health insurance, and healthcare access, utilization and costs for HUD tenants.
- 3/31/2016** **Increasing use of Medicaid as a source for services**
- Develop 20 community action plans with local and state healthcare service representatives to improve access and effective use of services for HUD-assisted individuals.
 - Disseminate local case studies on the use of Medicaid and other ACA-expanded services in supportive housing programs.
- 9/30/2015** **Improve tracking of client level health outcomes in HOPWA**
- Determine an appropriate client level data collection method for HOPWA grantee reporting to track health outcomes.
 - Provide joint technical assistance and training to both HOPWA and Ryan White program grantees to build local capacity to integrate health care planning and outcomes measures into HIV housing plans.

MEASURING OUR PROGRES⁸⁵

To help achieve this objective, HUD has established the following performance indicators.

► **Number of successful transitions from institutions through Section 811 Project Rental Assistance program**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data ⁸⁶	NA	510	862

► **Percent of PHAs with smoke-free housing policies (cumulative)⁸⁸**

CY12 Actual	CY13 Actual ⁸⁹	CY14 Actual	CY14 Target	FY15 Target ⁹⁰	FY16 Target
14%	16%	18%	16%	20%	25%

► **Average CMS STAR rating of Section 232 nursing home commitments**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
2.9	3.1	3.2	>2.2 ⁹¹	>2.8	>2.8

⁸⁵ The HUD FY 2013 APR and FY 2015 APP performance indicator “Percentage of HUD-assisted residents with public or private health coverage” has been removed, as the data are not available and tracking is reliant upon the National Center for Health Statistics.

⁸⁶ Leasing under the Section 811 PRA Program will start in early FY 2015, transitions forthcoming.

⁸⁸ Reports Calendar Year through 2014.

⁸⁹ The Office of Lead Hazard Control and Healthy Homes (OLHCHH) gathered and recorded these data on a calendar year basis (in December of each calendar year). At the end of FY 2014, the office shifted to fiscal year reporting, as shown for FY 2014-16.

⁹⁰ The Office of Lead Hazard Control and Healthy Homes (OLHCHH) has been gathering and recording these data on a calendar year basis (in December of each calendar year). In FY 2015, the office will shift to fiscal year reporting, as reflected in the FY 2015-16 targets.

⁹¹ When HUD initially established the quality target of 2.2, it was the national U.S. average of proprietary skilled nursing facilities; this has since risen to above 3. FHA’s 232 portfolio insures risky credits where there is a crucial need for the agencies’ support – for financial turnaround of facilities and providing services to the most vulnerable populations. The target indicates FHA’s commitment to maintain its average rating of 2.78, and its mission to ensure quality care for all.



A modern building with a grid of windows and a curved walkway. The building has a white facade with a grid of windows. A curved walkway with a white railing is visible in the foreground. The overall scene is bright and clean.

STRATEGIC GOAL:

*Build Strong, Resilient, and
Inclusive Communities*

Housing and community development efforts must address a complex network of individual, social, economic, and environmental factors in order to promote more diverse, inclusive communities and improve the sustainability of neighborhoods, communities, and regions. Many of the neighborhoods hit hardest by the housing and economic crisis—those with the highest rates of foreclosure and job loss—have been racially isolated and among the least sustainable, with limited access to economic opportunity, the longest commuting times to jobs, the most homes that pose health risks, and the poorest quality schools.

It is crucial that the federal government and its local partners effectively coordinate policies related to community development, climate change, energy efficiency, transportation, and disaster preparedness. Today we know that “place” influences outcomes—the place where a person lives is a reliable predictor of his or her long-term health, education, and employment outcomes. Families and individuals living in concentrated poverty experience greater inequity and often, as a result, more dismal outcomes.

Residents of these neighborhoods have limited access to transportation, face health hazards in their home and communities, suffer from the poorest schools, and have the fewest economic opportunities. In many areas, the spatial mismatch between housing and transportation investments limits access to decent employment and education opportunities for entire neighborhoods. This not only impacts the lives of residents in those communities, but the resulting need to travel greater distances to connect to these resources has a clear impact on the environment as well—from wetland and open space lost to sprawling development patterns to ever increasing greenhouse gas emissions.

To address these problems, Goal 4 focuses explicitly on “place,” preparing communities for the future of their economy, environment, and community development, through enhanced planning, enforcement, and capacity building—so that all communities are livable for residents and viable in the long-term.

The following strategic objectives provide a roadmap for accomplishing this goal:

- ▶ **Strategic Objective:** Reduce housing discrimination, affirmatively further fair housing through HUD programs, and promote diverse, inclusive communities.
- ▶ **Strategic Objective:** Increase the health and safety of homes and embed comprehensive energy efficiency and healthy housing criteria across HUD programs.
- ▶ **Strategic Objective:** Support the recovery of communities from disasters by promoting community resilience, developing state and local capacity, and ensuring a coordinated federal response that reduces risk and produces a more resilient built environment.
- ▶ **Strategic Objective:** Strengthen communities’ economic health, resilience and access to opportunity.

Strategic Objective: Fair Housing

Reduce housing discrimination, affirmatively further fair housing through HUD programs, and promote diverse, inclusive communities.

OVERVIEW

HUD seeks to significantly increase the number of housing providers, lenders, members of the real estate community, and others that fully comply with the Fair Housing Act and other applicable fair housing and civil rights laws and do not discriminate on any basis prohibited by those laws and regulations. While housing discrimination still takes on blatant forms in some instances, it has become more subtle and sophisticated through the years, resulting in under-reporting and complicating effective enforcement.

In addition to enforcement, HUD works proactively to make access to important neighborhood assets measurably fairer, to significantly increase the economic opportunities available to low-income residents in neighborhoods where HUD invests, and to ensure that policies and practices are in place to provide equal access to persons with disabilities.

STRATEGIES

- **Better ensure compliance with civil rights and economic opportunity requirements by providing high-quality technical assistance and training to stakeholders.** HUD will provide technical assistance on fair housing and civil rights laws and program requirements, such as the obligation to affirmatively further fair housing (AFFH), Section 3, Title VI, Section 504, and other areas of civil rights compliance so that HUD grantees have enough information and guidance to comply with civil rights requirements. This will include increasing technical assistance on fair housing issues and more effectively embedding civil rights requirements into other technical assistance offered by HUD.
- **Discourage discrimination by educating housing providers and by publicizing the consequences of violating the law.** HUD will target housing providers, lenders, real estate agents, and the public at large for training and outreach to educate them on their rights and responsibilities under fair housing laws. HUD will expand availability of fair housing educational material for industry representatives and consumers through website offerings. HUD will also strategically use press, public engagement, and other education and outreach techniques to deter discrimination.
- **Help stop discrimination through strong enforcement of the law against violators,** with a particular focus on systemic cases (those matters involving widespread discrimination affecting multiple people), more meaningful case outcomes, and enforcement strategies that identify and change widespread policies and practices.

LEADING THIS OBJECTIVE

Gustavo Velasquez
Assistant Secretary
Office of Fair Housing and Equal Opportunity

FY14 APR PROGRESS UPDATE

The Office of Fair Housing and Equal Opportunity (FHEO) is leading the enterprise-wide effort to incorporate Affirmatively Furthering Fair Housing (AFFH) principles into all of the Department's programs and initiatives. FHEO has also introduced new performance indicators that better reflect the Department's focus on cases that are likely to result in substantial and broad-based relief. Reported results on the indicators measuring number of people receiving relief were much better than anticipated due to a small number of cases with very high reported relief. Although these cases are considered outliers and may not be representative of likely performance in any given year, the Department remains committed to improving the delivery of fair housing services, education, and outreach.

MAJOR MILESTONES

- **Affirmatively Furthering Fair Housing (AFFH)**

1/5/2015 Affirmatively Furthering Fair Housing (AFFH) final rule will have been processed through HUD departmental clearance and forwarded to Office of Management and Budget (OMB).
Achieved as of this publication.

3/30/2016 In conjunction with PD&R, FHEO will have developed a plan to measure reductions in segregation due to implementation of the AFFH rule.

- **Fair Housing Collaboration (Providing high-quality fair housing training to stakeholders)**

4/30/2015 The fair housing clearinghouse website for the management, storage and sharing of key fair housing information and outreach documents for HUD employees and grantees will have been announced to the public.

9/30/2015 FHEO's processes will have been transformed to better integrate new work emphases that includes AFFH, Section 3, and systemic investigations.

9/30/2015 FHEO will have developed a measure for assessing the effect of targeted education and outreach efforts.

9/30/2016 Fair housing topics will have been incorporated into existing technical assistance delivery by program offices.

9/30/2016 Internal understanding of fair housing in HUD's mission will have been increased by developing and implementing training for HUD staff.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will track the following performance indicators:

▶ **Number of people receiving remedies through Fair Housing Act enforcement work**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
2,043	4,147	16,088 ⁹²	NA ⁹³	4,200	4,500

▶ **Average number of people receiving remedies through Fair Housing Act enforcement work per case**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
2.3	5.3	23.3 ⁹⁴	NA ⁹⁵	5.4	5.6

▶ **Number of cases with relief exceeding \$25,000** ⁹⁶

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
20	35	40	NA	40	45

▶ **Number of cases open more than 300 days at the end of the fiscal year**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
448	586	799	NA ⁹⁷	720	650

⁹² HUD settled a small number of large cases in FY 2014. These cases are considered outliers and atypical of historic and projected performance.

⁹³ FHEO did not begin setting targets for this performance indicator until FY 2015. "Tracking only" in previous reports.

⁹⁴ HUD settled a small number of large cases in FY 2014.

⁹⁵ "Tracking only" in previous reports.

⁹⁶ Replaces *FY 2013 APR and FY 2015 APP performance* indicator: "Monetary relief per case received through Fair Housing Act enforcement work (for cases with relief less than \$100,000)." As this is a new indicator, no target was set for FY 2014. The FY 2014 "actual" for the old indicator was \$4,151 per case. In recent years, FHEO's investigative efforts have increasingly focused resources on cases which are likely to result in substantial and broad based relief. Changing this metric from the previous "Monetary relief per case ...for cases with relief less than \$100,000" to the current "Number of cases with relief exceeding \$25,000" better reflects this emphasis.

⁹⁷ Each of these last two performance indicators are new for FY 2015. Targets were not set in previous years.

Strategic Objective: Green and Healthy Homes

OVERVIEW

HUD has committed to creating energy efficient, green, and healthy housing as part of a broader effort to foster the development of inclusive, sustainable communities. The residential sector is responsible for fully 21 percent of the nation's greenhouse gas emissions.⁹⁸ Through its rental assistance and mortgage insurance programs, HUD's share of this total is significant. HUD spends an estimated \$6.4 billion annually on utilities (both water and energy) in the form of allowances for tenant-paid utilities, direct operating grants for public housing, and housing assistance payments for privately-owned assisted housing. Utility costs account for around 22 percent of public housing operating budgets, and a similar share in the assisted housing sector.

Reducing these rising costs—generating savings for residents and owners, as well as for taxpayers—is a key HUD priority. Housing is also an important determinant of health, and poor housing conditions are associated with a wide range of health conditions, including respiratory infections, asthma, lead poisoning, injuries, and other housing-related health hazards. Significant progress has been made over the past five years with completed energy retrofits, healthy housing interventions, or new energy projects in more than 430,000 housing units.

From 2014–2018, HUD aims to continue to focus on energy and health investments in the residential sector, both in HUD-assisted housing, as well as in market-rate housing, to support the goals of President Obama's Climate Action Plan to cut energy waste in half by 2030 and accelerate clean energy leadership. We will reduce barriers to financing energy efficiency as well as on-site renewable energy, help unlock innovative and traditional sources of capital, and raise the bar on codes and standards that promote energy efficiency and healthy housing.

The production of lead-safe housing units will continue to depend strongly on the level of funding for the lead hazard control grant programs and the rehabilitation programs that make required lead hazard reduction measures in housing being assisted. With funding for Lead Hazard Control and Healthy Homes grant activities projected to be approximately level through FY 2016, and the Community Development Block Grant (CDBG) and Home Investment Program (HOME) experiencing significant reductions in recent years, the number of pre-1978 housing units made lead-safe in 2015 and 2016 is expected to decrease.

⁹⁸ EPA 2013

STRATEGIES

Boost Energy Efficiency and Renewable Energy

- **Strengthen HUD’s programs and policies to meet the President’s goal of cutting energy waste in half by 2030 in new and existing HUD-assisted housing.** This includes continuing to update energy codes and standards; implementing a green Physical Needs Assessment (PNA) in public housing and an analogous Capital Needs Assessment e-tool in multifamily housing, supporting the adoption of comprehensive utility benchmarking protocols across HUD’s portfolio, and addressing energy efficiency through FHA single family and multifamily mortgage insurance programs. This strategy will help HUD stakeholders reduce energy consumption and improve building performance. This will be accomplished through voluntary efforts such as the Better Buildings Challenge, partnerships with DOE, EPA, USDA and other federal agencies, and leveraging HUD’s Technical Assistance (TA) resources.
- **Implement national partnerships to triple the amount of on-site renewable energy across the federally assisted housing stock by 2020.** This joint effort of HUD, the Department of Agriculture (USDA), and the Treasury Department will for the first time focus on solar and renewable energy in federally-assisted housing, by implementing a key goal of the President’s Climate Action Plan, to reach 100 megawatts—equivalent to the energy used by over 30,000 homes⁹⁹—of on-site renewable energy in federally assisted housing.
- **Overcome barriers to leveraging private sector and other innovative sources of capital for energy efficiency and renewable energy investments.** HUD, in concert with other federal and state partners, will help expand the pool of private and public capital investment for energy efficiency and renewable energy programs across the residential spectrum.

ENHANCE SAFE AND HEALTHY HOUSING

- **Expand housing management practices that protect the health of residents.**
- **Investigate HUD’s existing methods to assess the physical condition of assisted housing for potential improvements in identifying defects shown to adversely impact health.**

HUD’s existing physical condition assessment methods focus on traditional physical safety hazards, which may miss certain recognized conditions that can result in health hazards. Consistent with the *Surgeon General’s Call to Action to Promote Healthy Homes*,¹⁰⁰ *HUD’s Leading Our Nation to Healthier Homes: The Healthy Homes Strategic Plan*,¹⁰¹ and the federal *Advancing Healthy Housing: A Strategy for Action*,¹⁰² HUD will conduct a review of existing physical condition assessment methods for potential improvements in identifying health hazards. This review will include HUD’s physical condition assessment protocols, such as the Uniform Physical Condition Standards for Voucher Programs (UPCS V).

STRENGTHEN ENVIRONMENTAL REVIEWS

- **Strengthen the environmental review process.** HUD will strengthen the environmental review process to require resilient projects by pursuing rulemaking to require flood mitigation in special flood hazard areas. Furthermore, HUD will ensure that building occupants are safe from hazards, such as radon, through clarification and enforcement of HUD’s regulatory requirement that all projects are free of contaminants and hazards that could affect the health and safety of occupants. Finally, through continued support and emphasis on a thorough and complete environmental review, HUD will be supporting safe, sustainable projects that have a minimal negative impact on the environment.

LEADING THIS OBJECTIVE

Trisha Miller
Senior Advisor
Office of Economic Resilience

Matthew Ammon
Director
Office of Lead Hazard Control and Healthy Homes

FY14 APR PROGRESS UPDATE

Detailed update provided under FY14-15 APG Progress Update.

MAJOR MILESTONES

- **Energy Efficiency and Renewable Energy**

- 3/31/2015 Update and align energy criteria for HUD programs**, including code updates through publishing Final Determination on the 2009 IECC and ASHRAE 90.1-2007 and action on more recent codes. *Achieved as of this publication.*
- 4/30/2015 Release policies supporting innovative financing platforms and models to accelerate energy efficiency finance and leverage new sources**, including: Pay for Success for multifamily housing, utility company incentives, commercial PACE, and USDA loan programs. *Partially achieved as of this publication.*
- 9/30/2015 Scale up energy efficiency and clean energy solutions through a place-based mitigation strategy**. Sixteen Climate Action Champions were announced in December 2014. HUD is participating as a member of the interagency team, connecting Champions to renewable energy TA, advancing equity issues, and community resilience.
- 9/30/2015 Going beyond the 100 MW Renewable Energy Target: Deploying solar strategies across HUD's portfolio to secure additional renewable energy commitments by:**
 - Lining-up Capital Solar Challenge partners and projects
 - Finalizing guidance and new TA resources
 - Executing a memorandum of understanding with DOE on STEM (Science, Technology, Engineering, and Mathematics) to support energy literacy and employment in clean energy

⁹⁹ <http://www.eia.gov/consumption/residential/reports/2009/consumption-down.cfm?src=<%20Consumption-f3>

¹⁰⁰ <http://www.surgeongeneral.gov/library/calls/healthyhomes/index.html>

¹⁰¹ http://www.hud.gov/offices/lead/library/hhi/hh_strategic_plan.pdf

¹⁰² http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/advhh

9/30/2015 Recruit 100 multifamily partners, allies, and utilities for the Better Buildings Challenge; develop a suite of administrative incentives that will drive greater efficiency savings.

9/30/2015 Release a green Capital Needs Assessment e-tool in multifamily housing

9/30/2016 Implement HUD portfolio-wide utility data collection and benchmarking policies.

- Launch 1-100 Energy Star Score for multifamily residential buildings.
- Implement PIH benchmarking requirement pilot. *Achieved as of this publication.* PIH recently completed a one-year pilot of nine PHAs using Energy Star Portfolio Manager to track utility data and generate benchmarking scores.

- **Safe and Healthy Housing**

9/30/2015 Submit proposed Lead Safe Housing Rule Update to OMB.

9/30/2016 Publish Lead Safe Housing Rule Update final rule re: CDC's new (more stringent) reference range level to protect more children from lead-based paint hazards in HUD assisted housing.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following performance indicators.

Agency Priority Goal Measure:

- ▶  **Number of HUD-assisted or -associated units completing energy efficient and healthy retrofits or new construction (key indicator)**

To assess our progress towards increasing the energy efficiency and health of the nation's housing stock, HUD tracks the number of new or retrofitted housing units that are healthy, energy-efficient, or meet green building standards. This measure tracks the number of retrofits and units of new construction meeting energy efficiency and/or healthy home standards.¹⁰³

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
84,908	75,951	76,337	74,347 ¹⁰⁴	89,004 ¹⁰⁵	82,948

¹⁰³ FY 2012 and FY 2013 historic data has been updated from previously reported totals due to an internal review of granular files that uncovered counting errors. FY 2012 total down from 84,993 reported in the HUD FY 2014 Agency Financial Report, and FY 2013 down from 76,915 in the same report.

¹⁰⁴ Revised from 74,297 in the *FY 2013 APR and FY 2015 APP* to capture PowerSaver 203(k) program.

¹⁰⁵ Revised from 84,934 in the same report to capture addition of CDBG-DR-Sandy units, RAD production, and non-PowerSaver 203(k) programs

Other Measures:

▶ **Number of Properties Participating in Utility Data Benchmarking**

Measurement of the number of public housing and multifamily building units who have entered utility data actuals into Portfolio Manager or another compatible data collection tool.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	3,300 ¹⁰⁶

▶ **Installed and Committed Megawatts toward Federal Renewable Energy Target**

Measurement of the number of megawatts of installed renewable energy capacity as well as measurement of the number of megawatts of renewable energy COMMITTED to within HUD's assisted portfolio.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Number of Better Buildings Challenge Partners**

Measurement of number of new Better Buildings Challenge Partners.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	100	0 ¹⁰⁷

¹⁰⁶ This proposed target includes only Multifamily Housing properties. Public and Indian Housing target TBD once baseline is established.

¹⁰⁷ This is a pilot program with an overall target of 100 BBC partners across MFH and PIH. There are no plans at this time to pursue additional participants beyond the 100 BBC partner target.





RETROSPECTIVE:

*FY 2014-2015 Agency
Priority Goal ★ Green
and Healthy Homes*

Between October 1, 2013 and September 30, 2015, HUD aims to increase the energy efficiency and health of the nation's housing stock by enabling 160,000 cost-effective energy efficient or healthy housing units. As of FY14, HUD exceeded its year one goal of 74,347 by 1,990 units.

NUMBER OF HUD-ASSISTED UNITS COMPLETING ENERGY EFFICIENT AND HEALTHY RETROFITS OR NEW CONSTRUCTION

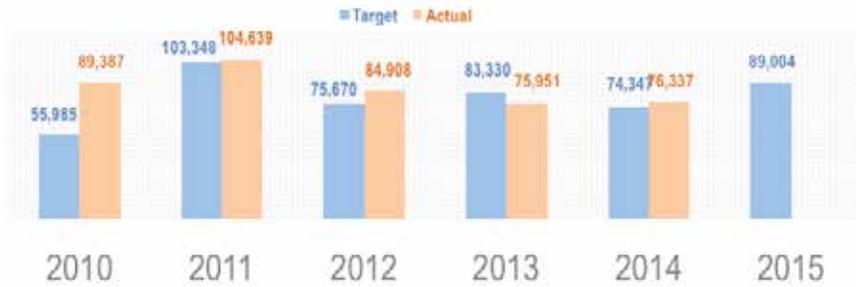
To assess our progress towards increasing the energy efficiency and health of the nation's housing stock, HUD tracks the number of new or retrofitted housing units that are healthy, energy-efficient, or meet green building standards. This measure tracks the number of retrofits and units of new construction meeting energy efficiency and/or healthy home standards.

	Target	Actual ¹⁰⁸	Change from Previous Year	Target Met?
→ 2010	55,985	89,387	NA	✓
→ 2011	103,348	104,639	+15,252 (↑17%)	✓
→ 2012	75,670	84,908	-19,731 (↓19%)	✓
→ 2013	83,330	75,951	-8,957 (↓11%)	✗
→ 2014	74,347	76,337	-578 (↓1%)	✓
→ 2015	89,004			
→ 2014 + 2015 combined two-year goal	163,351			
net change, 2010 – 2014		+431,222 energy efficient and healthy retrofits or newly constructed units		

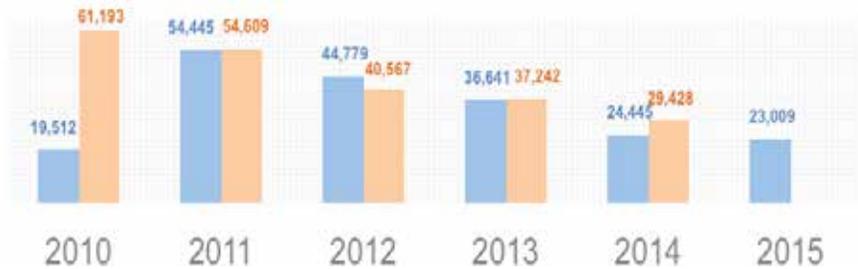


¹⁰⁸ Includes the use of a unit equivalent method approved by OMB for certain programs to reflect the ten most cost effective Energy Conservation Measures.

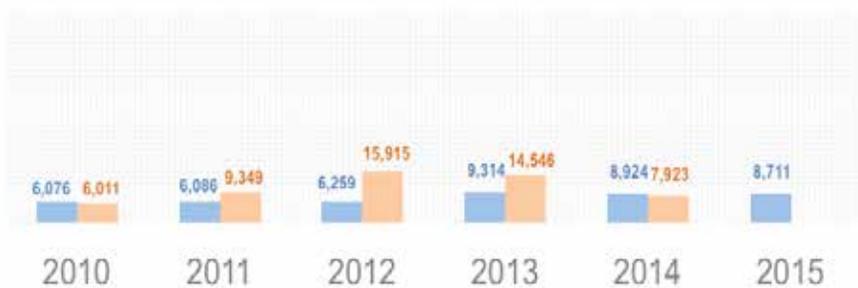
Total number of HUD-assisted units completing energy efficient and healthy retrofits or new construction¹⁰⁹



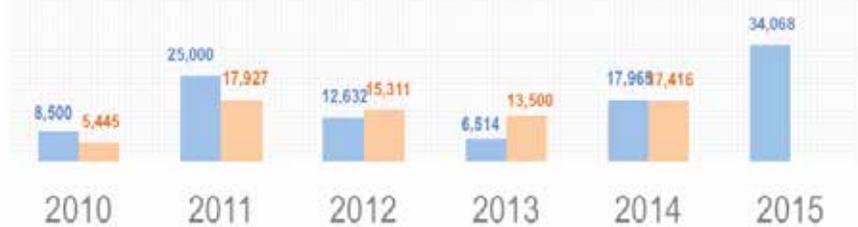
Contributing units from the **Office of Public and Indian Housing**



Contributing units from the **Office of Community Planning & Development**



Contributing units from the **Office of Housing**



Contributing units from the **Office of Healthy Homes and Lead Hazard Control**



COMPLETED GREEN OR HEALTHY UNITS BY PROGRAM

Program	FY 2012-13 2-Year Actual	FY 2014 Annual Target	FY 2015 Annual Target	FY 2014-15 2-Year Actual	FY 2014-15 2-Year Actual ¹⁰⁰	FY 2016 Annual Target ¹¹¹
Community Development Block Grant (CDBG)	1,376	600	600	1,200	323	415
CDBG – Disaster Relief (Sandy)	NoA	0	619	619	275	1,236
HOME Energy STAR	17,011	8,324	7,492	15,816	7,325	6,400
Tax Credit Assistance Program (TCAP) ¹¹²	12,074	NA	NA	NA	NA	NA
TOTAL Community Planning & Development	30,461	8,924	8,711	17,635	7,923	8,051
Public Housing Capital Fund ¹¹³	36,040	6,700	5,050	11,750	6,288	5,050
Energy Performance Contracts ¹¹⁴	39,515	16,700	16,700	33,400	21,439	13,993
Developed/Retrofitted Units	1,884	1,045	1,259	2,304	1,701	1,440
ONAP (ARRA funded)	370	NA	NA	NA	NA	NA
TOTAL Public and Indian Housing	77,809	24,445	23,009	47,454	29,428	20,483
FHA Endorsements – MFH	12,251	10,750	10,750	21,500	11,940	12,193
Green Retrofit Program – MFH	4,581	NA	NA	NA	NA	NA
Green Preservation Plus – MFH	696	350	350	700	180	180
Mark to Market – MFH	6,268	2,500	2,500	5,000	2,678	2,500
Rental Assistance Demonstration - MFH	NA	2,550	13,770	16,320	312	11,700
Section 202/811 – MFH	4,658	1,090	998	2,088	1,539	850
Energy Efficient Mortgages – SFH	NA	450	450	900	347	275
PowerSaver 203(k) & Title I – SFH ¹¹⁵	357	275	250	525	420	NA
203(k) (non-PowerSaver) – SFH	NA	NA	5,000	5,000	No Data	3,500
TOTAL Housing (Multifamily & Single Family)	28,811	17,965	34,068	52,033	17,416	31,198
TOTAL Office of Lead Hazard Control & Healthy Homes	23,778	23,013	23,216	46,229	21,570	23,216
Green or Healthy Units, Total	160,859	74,347	89,004	163,351	76,337	82,948

¹⁰⁹ Overall targets for FY 2010, FY 2011, and FY 2013 include “stretch units” that were not assigned to any particular program but count toward the overall targets.

¹¹⁰ Data is through end of FY 2014 only (September 30, 2014).

¹¹¹ Targets for FY 2017 are being developed.

¹¹² TCAP, a short-term Recovery Act program, expired in FY 2014.

¹¹³ FY 2012 Public Housing Capital Fund total includes ARRA funded and non-ARRA units. The ARRA program expired after FY 2012.

¹¹⁴ ONAP retrofits were funded by the Recovery Act, expiring in FY 2013.

¹¹⁵ The PowerSaver programs are scheduled to expire by FY 2016.

FY14-15 APG PROGRESS UPDATE

To assess our progress towards increasing the energy efficiency and health of the nation's housing stock, HUD tracks the number of newly constructed or retrofitted housing units that are healthy, energy-efficient, and/or meet green building standards. In light of funding challenges - including the expiration of the Recovery Act funds which had funded a significant portion of our units towards this goal over the past four years - the progress made in achieving this objective is noteworthy. Through the 4th quarter of fiscal year 2014, HUD has completed 76,337 green or healthy units, exceeding the fiscal year 2014 target by 1,990 units. Of the completed green or healthy units, 54,767 units, or 71.7 percent, were energy-related, and the remaining 21,570 units were lead hazard control or healthy housing retrofits funded through HUD's Office of Lead Hazard Control and Healthy Homes.

ENERGY-RELATED UNITS BY PROGRAM OFFICE:

- *CPD*: The Office of Community Planning and Development (CPD) completed a total of 7,923 energy retrofits in fiscal year 2014. The CPD units completed to date consist of new HOME and Community Development Block Grant (CDBG)-funded units meeting the Energy Star Certified Homes standard. Reduced appropriations for the HOME program have led to lower unit production overall. As a result, the number of Energy Star units produced by the HOME program fell approximately 1,000 units short of the fiscal year 2014 target.
- *Multifamily Housing*: The Office of Multifamily Housing completed 16,649 green units in fiscal year 2014. The following Multifamily Housing programs are included in this total: FHA Multifamily Endorsements with green features, the Mark-to-Market Program, Section 202, Section 811, Green Preservation Plus Program.
- *Single Family Housing*: The Office of Single Family Housing has completed 767 units in fiscal year 2014, exceeding its target by 42 units. The following Single Family Housing programs are included in this total: FHA's Title I PowerSaver Program, FHA's PowerSaver Pilot 203(k) Program, and the Energy Efficient Mortgage (EEM) program. Although the EEM program fell short of its target by 103 units, the strong performance by the PowerSaver programs, completing 145 units beyond the fiscal year 2014 targets, helped HUD close the gap.
- *PIH*: The Office of Public and Indian Housing (PIH) has completed 29,428 retrofits or new green units in fiscal year 2014. The PIH units include developed energy efficient units through mixed financing streams, Energy Performance Contracts (EPC), and energy upgrades funded through the Public Housing Capital Fund. EPC units – which comprise the largest portion to date of PIH's share of energy efficient or healthy retrofits or new construction – exceed fiscal year target by over 4,700 units.

LEAD HAZARD CONTROL AND HEALTHY HOMES UNITS BY PROGRAM OFFICE:

- *OLHCHH*: The Office of Lead Hazard Control and Healthy Homes (OLHCHH) completed 21,570 units in fiscal year 2014. OLHCHH achieved 94 percent of its target despite activities being adversely affected by a number of factors, including severe winter weather conditions during the winter of 2014, the limited supply of certified lead contractors, and rising costs per unit. OLHCHH grantees work to mitigate environmental hazards for improved health outcomes in housing, prioritizing units where children are present. In addition to reporting on a variety of lead hazard control and healthy housing grant programs, OLHCHH also reports data on its enforcement

actions, as well as on the Green and Healthy Homes Initiative, which combines environmental assessments and single stream interventions in the areas of lead hazard reduction, Healthy Homes, weatherization, and energy efficiency.

For detailed quarterly assessments of progress, readers may consult the quarterly updates on Performance.gov.



Strategic Objective: Disaster Resilience

OVERVIEW

Helping to increase communities' resilience is integral to national preparedness and the mission of HUD. This effort is consistent with the goals and objectives of Presidential Policy Directive / PPD-8 (National Preparedness) and Executive Order 13653 (Preparing the United States for the Impacts of Climate Change). Over the next five years, HUD will continue to support and expand programs and initiatives designed to increase and enhance pre-planning, research, infrastructure investment, partnerships, and cross-cutting coordination related to disaster response, recovery, and resilience. This work will involve the combined efforts of HUD's program offices and federal, state, local, and private sector partners and will incorporate HUD's civil rights, energy, environment, and diversity goals and responsibilities.

STRATEGIES

- **Build resilience strategies into HUD programs**, promoting the use of resilient housing, community development, land-use planning, and infrastructure investment patterns, and foster innovations in resilient rebuilding based on the latest data on current and future risk to ensure the most effective use of federal resources and reduce risks to all communities.
- **Increase capacity of state and local governments to plan for and implement long term recovery and rebuilding**, and encourage increased private and community investment and research in disaster recovery capabilities.
- **Facilitate the effective use of post-disaster housing resources, while ensuring full compliance with applicable fair housing and civil rights laws**, to restore and strengthen homes and provide families with safe, affordable housing options and to reduce the impacts of future disasters.
- **Promote regional coordination to ensure that community infrastructure investments are resilient, environmentally and fiscally sustainable, and delivered without delay.**
- **Improve data collection and information sharing across and by federal, State and local entities** to bolster disaster preparedness, response and recovery efforts.
- **In partnership with other federal agencies, lead and advance the National Disaster Recovery Framework** to ensure that interagency federal disaster recovery efforts are effectively coordinated, and that the recommendations in the Hurricane Sandy Rebuilding Task Force's Rebuilding Strategy are fully implemented for the Sandy recovery and, where applicable, for national programs and efforts.

LEADING THIS OBJECTIVE

Harriet Tregoning
Principal Deputy Assistant Secretary
Office of Community Planning & Development

Marion McFadden
Deputy Assistant Secretary for Grants Programs
Office of Community Planning & Development

FY14 APG PROGRESS UPDATE

HUD's Hurricane Sandy Task Force, in collaboration with their interagency partners, demonstrated noteworthy progress towards the completion of the majority of task force recommendations by October 2014. The Federal Emergency Management Agency (FEMA) will track the progress of the Hurricane Sandy Task Force in FY15 and beyond. Disaster Resilience objective leaders also created a new performance indicator for FY14, which will track implementation of HUD's Climate Change Adaptation Plan recommended actions. Finally, HUD is committed to developing new metrics for evaluating the success of the National Disaster Resilience Competition, a nearly \$1 billion competition to fund the implementation of innovative resilience projects to better prepare communities for future storms and other extreme events.

MAJOR MILESTONES

- **Building Resilience Strategies into HUD Programs**

12/31/2015 **Develop metrics for evaluating success of National Disaster Resilience Competition.**

12/31/2015 **Competitively Award funds for National Disaster Resilience Competition.**

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will track the following performance indicators. Further metrics are under development.

- ▶ **Percent of Sandy Task Force recommendations related to disaster recovery and resilience that have been implemented¹¹⁶**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data ¹¹⁷	72.5%	65.0%	NA	NA

- ▶ **Percent of the HUD Climate Change Adaptation Plan actions completed**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data ¹¹⁸	11%	10%	40%	60%

¹¹⁶FEMA will be responsible for tracking the interagency progress of the Sandy Task Force recommendations beginning in FY 2015.

¹¹⁷ This performance indicator first reports in FY 2014.

¹¹⁸ *ibid.*

Strategic Objective: Community Development

Strengthen communities' economic health, resilience and access to opportunity.

OVERVIEW

If hard-working people who play by the rules are to get ahead, they need to be able to access quality education and decent jobs, from a foundation of security in basic needs like personal safety, housing and food. Creating such environments requires collaboration among organizations with different roles and specialties at the local level, and federal agencies that are able to provide cross-sector support. Neighborhood, municipal, and regional environments that can attract investment and also support children and families are the backbone of inclusive and resilient economic growth. Building on the community's institutional, financial, human, and physical capital is vital to economic growth and bolsters resiliency in times of disaster or downturn.

Local networks among the private sector, government, and community leaders can be particularly effective at creating lasting solutions. The federal role is to support and complement the private sector, civic institutions, states, and localities, not to supplant their efforts. An effective federal role is to catalyze private investment by addressing market failures, frictions, and gaps. HOME and CDBG, the two major formula grant programs that support housing, community and economic development, provide a strong foundation for these place-based federal efforts. So does the targeted investment of technical assistance resources by HUD and other federal agencies.

HUD participates in several interagency place-based initiatives that focus existing funding more effectively and create incentives for collaboration across organizational, jurisdictional, and sectoral lines. Such initiatives support communities in improving their growth potential and the quality of life and opportunities for their residents.

*Promise Zones
Community Leaders*



STRATEGIES

- **Promise Zones** build on the Administration's neighborhood revitalization work by accelerating the progress of high-poverty communities whose stakeholders have joined in a collaborative strategy with a shared commitment to results. These communities will create jobs, increase economic activity, reduce serious and violent crime, and improve educational opportunities to develop communities that serve as launching pads for their residents, as opposed to traps where poor conditions and isolation undermine the potential for success.
- **Choice Neighborhoods** grants support locally driven strategies to address struggling neighborhoods with distressed public or HUD-assisted housing through a comprehensive approach to neighborhood transformation. Local leaders, residents, and stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, come together to create and implement a plan that transforms distressed HUD housing and addresses the challenges in the surrounding neighborhood. The program is designed to catalyze critical improvements in neighborhood assets, including vacant property, housing, services, and schools.
- **Strong Cities, Strong Communities (SC2)** addresses the issue of reduced municipal capacity, which makes it more difficult for community leaders to invest existing federal funds to their maximum potential in economic revitalization strategies. The capacity of cities and counties represents a crucial opportunity for federal intervention because local governments receive direct allocations of formula grant funding and their elected leadership often exerts substantial influence on the governance of other local bodies receiving important grant allocations. Poor municipal capacity not only affects the quality and function of federally-funded services that contribute to a community's ability to attract investment and to create access to opportunity for its residents, but also limits the quality and feasibility of locally-driven revitalization strategies. SC2 directly supports local leaders in creating a solid foundation for economic growth by addressing these areas. Beginning in FY2014, the National Resource Network, a consortium of private sector, non-profit, and academic experts, expanded the SC2 model and will reach many additional communities with on-the-ground expert advice and remote coaching.
- **The Sustainable Communities Initiative (SCI)** provides planning grants, technical assistance and support for implementation projects to regional organizations and municipalities to plan infrastructure and housing investments in such a way that they channel growth, reduce transportation inefficiencies, and promote environmental quality. HUD's Office of Economic Resilience administers these SCI grants, which engage stakeholders and leverage public and private investments to make neighborhoods more prosperous, enhance economic competitiveness and resilience, and save households and businesses time and money on transportation. These grants are a key element of the HUD-DOT-EPA Partnership for Sustainable Communities.
- **Community Needs Assessments** provide the forum to solve locally identified issues, locally driven community goals; focus resources on issue resolution; and provide a venue for increased collaboration across HUD's programs, with other federal agencies, and with local partners to deploy resources and expertise. The goal of these assessments is to build a stronger relationship with the communities we serve, strengthen HUD's presence with our stakeholders

and facilitate the exchange of ideas in order to optimize collaboration and leverage federal resources with those being provided in the community.

LEADING THIS OBJECTIVE

Harriet Tregoning
Principal Deputy Assistant Secretary
Office of Community Planning & Development

Valerie Piper
Deputy Assistant Secretary for Economic Development
Office of Community Planning & Development

Danielle Arigoni
Acting Director
Office of Economic Resilience

Patrick Pontius
Executive Director
White House Council on Strong Cities, Strong Communities
Mary McBride
Assistant Deputy Secretary
Office of Field Policy & Management

FY14 APG PROGRESS UPDATE

HUD's Community Development initiatives begin tracking performance indicators for FY 2015. While HUD is on track to achieve many of its critical management milestones, we remain committed to developing and refining metrics for measuring success. The Department hopes to provide additional outcome-focused performance indicators based upon the results and lessons learned from this current data reporting period.

MAJOR MILESTONES

- Promise Zones

3/31/2015 Announce Second Round of Promise Zone designations.

During the Second Round, HUD/USDA will announce at least 8 Promise Zone designations.
Achieved as of this publication.

9/30/2015 Deepen placed based professional development for Promise Zone staff.

Work with other Placed Based Initiatives and interagency partners to develop professional development opportunities for staff.

9/30/2015 Develop Framework for Evaluation Activities and Outcome Data Gathering

Develop a conceptual model of evaluation activities and responsibilities. Work with HHS/ USDA partners and Round I Promise Zones to develop a framework for gathering data on Promise Zone Outputs and Outcomes over the course of the 10-year designation, including data sharing commitments from HUD and lead organizations.

Create and Test Community Development Marketplace

Test value of sharing and analyzing Promise Zone application information for federal agencies to target technical assistance, foundations and investors to identify investment opportunities, communities to locate their peers, and researchers to identify potential study partners. Deepen engagements with communities and outside partners in 2016 if data proves beneficial.

12/31/2016 Designate a total of 20 Promise Zones.

The 20 total Promise Zones will include the 5 designations made in January 2014, at least 8 designations made in the Second Round, and remaining designations in a third round. Hire community liaisons for newly designated Promise Zones.

• **Choice Neighborhoods**

1/31/2015 Award FY14 Choice Neighborhoods Planning Grants. *Achieved as of this publication.*

3/31/2015 Develop new performance measurement and management system for Implementation grantees. *Achieved as of this publication.*

3/31/2015 Establish formal procedure for closing Choice Neighborhoods transactions that replace public housing with RAD units. *Making significant progress as of this publication.*

9/30/2015 Award FY14/15 Choice Neighborhoods Implementation Grants.

10/1/2015 Award new Technical Assistance contract or cooperative agreement.

• **[Strong Cities, Strong Communities \(SC2\)](#)**

3/31/2015 Open one-stop National Resource Network application for on-the-ground assistance to all eligible participants. *Achieved as of this publication.*

4/30/2015 Facilitate at least one public-private sector convening in each SC2 city in support of a local economic development priorities. *Achieved as of this publication.*

- 6/30/2015 **Begin comprehensive evaluation of National Resource Network grant.**
- 9/30/2015 **All SC2 cities will have participated in peer networking activities facilitated through the National Resource Network.**
- 11/31/2015 **Briefs on local and federal best practices developed by National Resource Network and shared with relevant Federal partners.**
- **The Sustainable Communities Initiative (SCI)**
 - 5/31/2015 **Publish Deliverables from Sustainable Community Capacity Building Intermediaries. *Making significant progress as of this publication.***

Select publications, tools, and other resources from four years of Capacity Building Intermediary grants will be posted online for public use, along with other Best Practices for Achieving Resilient, Sustainable Communities via the HUD Exchange website.
- **Community Needs Assessments (CNA)**
 - 4/1/2016 **Each CNA Community creates an “Operational Action Plan” with key stakeholders designed to be implemented within two years of establishing the finalized Action Plan.**
 - 9/30/2016 **Develop a CNA Best Practices Document.**
 - 10/1/2016 **Select round II communities to partner for CNA.**

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will track the following performance indicators.¹¹⁹

- **Promise Zones**
The performance indicators for this program are under development.
- **Choice Neighborhood**¹²⁰
These metrics will be tracked only in the neighborhoods with Choice Neighborhoods Implementation Grants.

¹¹⁹ All of the performance indicators for this Strategic Objective are new and will first report at the close of FY 2015. Therefore, there is no data to report for prior years and no baseline to establish FY 2015-16 targets for a majority of the indicators.

¹²⁰ All Choice Neighborhoods performance indicators will first report in FY 2015.

▶ **Number of replacement housing units developed**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Cumulative total leveraged dollars expended by grantees**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Number of building permits filed in the neighborhoods**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Percentage of assisted residents with wage income**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

• **[Strong Cities, Strong Communities \(SC2\)¹²¹](#)**

▶ **Amount of existing federal funds more effectively utilized due to technical assistance and capacity building**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Number of best practices adopted by SC2 cities**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

▶ **Number of new local partnerships formed as a result of an SC2 intervention**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	Establish Baseline	Target TBD

- [The Sustainable Communities Initiative \(SCI\)](#)¹²²

- ▶ **Leveraged investments secured as a result of sustainable community planning**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	\$155 million	\$250 million

- ▶ **Number of plans adopted as a result of HUD investments in sustainable community planning**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	40	60

- ▶ **Number of regulatory reforms adopted as a result of HUD investments in sustainable community planning**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	30	50

- ▶ **Number of communities that developed or improved plans for economic resilience**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	20	25

- [Community Needs Assessments \(CNA\)](#)

- ▶ **Number of CNA action plans**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	70	Establish Baseline ¹²³	64	75

[Other Measures](#)

- ▶ **Number of jobs created or retained by CDBG grantees**

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA	18,000 ¹²⁴	18,000

¹²¹ All Strong Cities, Strong Communities performance indicators will first report in FY 2015.

¹²² All SCI performance indicators will first report in FY 2015.

¹²³ This performance indicator was first reported in FY 2014

¹²⁴ This performance indicator will first report in FY 2015.





ACHIEVING OPERATIONAL EXCELLENCE

*Management Challenges
and Objectives*

In order for HUD to achieve its program goals, HUD's operations must be efficient and effective and must serve customer needs. HUD plans to achieve operational excellence by improving planning, processes, accountability, and transparency, and also by developing and using customer feedback mechanisms.

In addition to the management objectives noted below, HUD is committed to contributing to achievement of performance goals that are major priorities for the federal government as a whole. Per the GPRA Modernization Act requirement to address Cross-Agency Priority (CAP) goals in the agency strategic plan, the annual performance plan, and the annual performance report, please refer to www.performance.gov for the agency's contributions to these goals and progress, where applicable.

For information on HUD's response to OIG's Report on Management and Performance Challenges and the GAO High Risk list, see [HUD's 2013 Agency Financial Report](#).

- ▶ **Acquisitions Management Objective:** Improve HUD's acquisitions performance through early collaborative planning and enhanced utilization of acquisition tools.
- ▶ **Departmental Clearance Management Objective:** Reduce the time and complexity of the clearance process by establishing and enforcing clear protocols for drafting and reviewing documents placed in departmental clearance.
- ▶ **Equal Employment Opportunity Management Objective:** Promote a diverse and inclusive work environment that is free of discrimination and harassment by educating the workforce on the overall Equal Employment Opportunity (EEO) process and their EEO responsibilities as managers and employees of HUD.
- ▶ **Financial Management Objective:** Increase accuracy, speed, transparency, and accountability in financial management and budgeting for the agency.
- ▶ **Grants Management Objective:** Make the grants management process more efficient and effective by automating and streamlining processes, improving timeliness, and tracking performance.
- ▶ **Human Capital Management Objective:** Employ, develop, and foster a collaborative, high-performing workforce that is capable of continuing to deliver HUD's mission in a changing and uncertain future.
- ▶ **Information Management Objective:** Make high-quality data available to those who need it, when they need it, where they need it, to support decision-making in furtherance of HUD's mission.
- ▶ **Organizational Structure Management Objective:** Reduce the cost of leased space, utilities, travel and other related costs by adapting our business processes.

Management Objective: Acquisitions

Improve HUD's acquisitions performance through early collaborative planning and enhanced utilization of acquisition tools.

OVERVIEW

The Office of the Chief Procurement Officer (OCPO) is responsible for all HUD procurement and procurement-related activities. The acquisition process can be lengthy, partially due to necessary compliance with statutes, policies and procedures. OCPO sees an opportunity to streamline the acquisition process and increase customer satisfaction through a dedicated expert contract oversight workforce, enhanced utilization of available acquisition tools, improved early collaboration and teamwork in executing plans, optimizing the use of acquisition strategies, and enhanced accountability for successful outcomes through performance metrics.

In this challenging economic environment, OCPO also seeks to maximize the value of every taxpayer dollar and ensure opportunities for small businesses. To accomplish this, OCPO is committed to using internal and external acquisition vehicles specifically established to leverage HUD's and the government's buying power, maximize opportunities for small business, and increase the successful outcomes of acquisitions for the best prices possible.

STRATEGIES

- **Streamline the acquisition process.** A major linchpin of the streamlining initiative is the improvement of acquisition workforce. OCPO will work to re-engineer HUD's Government Technical Representative program to comply with the Federal Acquisition Institute's Federal Acquisition Certification-Contracting Officer Representative (FAC-COR) model, and professionalize the COR job series, resulting in streamline pre- and post-award acquisition processes. As part of this effort, OCPO will lead a cross functional acquisition team that will include representation from HUD Program Offices and support offices. Implementation is expected to be phased in FY 2016 and include introduction of functional tools, such as the Acquisition Requirements Roadmap Tool in 2015. Specifically, the team will complete the following:
 - Develop standardized COR position descriptions, critical elements, competencies, and skill gap analysis;
 - Develop a robust support infrastructure to include critical elements for non-COR managers, require skill gap analysis be conducted by non-COR managers, and staff COR advocates to assist in transferring COR expertise to the workforce;
 - Transition the current model where COR duties are collateral in nature to a permanent, full-time job series for HUD CORs under the new model.

OCPO will also work to improve program and project management through a more robust FAC-P/PM program to ensure programs are being management by highly qualified P/PMs beginning in FY 2015. OCPO will also continue to improve the contracting workforce through the use of skill gap analysis,

training plans to fill gaps, and enhanced performance accountability through the use of established performance metrics.

- **Increase opportunities for small business.** Improve HUD's small business opportunities through enhanced market research and early collaborative planning. OCPO and the Office of Small and Disadvantaged Business Utilization (OSDBU) will develop acquisition tools and procedures to enhance market research fostering identification of a broader base of small businesses with core disciplines consistent with HUD's mission. These tools will be launched through a multi-educational approach to the acquisition workforce, including instruction, simulation, case studies and experiential sharing.
- **Optimize the use of acquisition strategies.** Utilize internal and external acquisition vehicles that leverage HUD's and the government's buying power in order to optimize successful contractual outcomes and reduce costs. These strategies include Best Value – Lowest Priced Technically Acceptable – evaluation methods, strategic sourcing initiatives, increased competition, reduced use of risky contracts, and the use of more fixed price and performance-based strategies.

LEADING THIS OBJECTIVE

Keith Surber
Acting Chief Procurement Officer
Office of the Chief Procurement Officer

FY14 APG PROGRESS UPDATE

HUD missed its target for requisitions released by their target release date but exceeded its target for awards meeting their target award date (among those released on time). The total number of days to contract award by acquisition strategy was also a mixed success with several exceeding their targets and a few missing. While the Department still plans to create a new job series and position of the Contracting Officer Representative to overhaul the role of program office personnel in the acquisition process, these efforts have been delayed.

MAJOR MILESTONES

9/30/2016¹²⁵ Implementation of new streamlined acquisitions process, including for Contracting Officer Representatives

OCPO will work to professionalize the Contracting Officer Representative job series and program at HUD in order to remove ambiguities created by our current practice, align HUD with the rest of the Federal Government, and allow for all stakeholders to participate in performance management of CORs.

¹²⁵ The milestone date was changed from 2015 because the Acting Deputy Secretary indicated that HUD will not begin launch until 10/1/2015. The implementation date was also modified because of potential budget implications that some offices had not included in their budget submissions.

MEASURING OUR PROGRESS

Standardized monthly reports and data from HUD's Acquisition Management System will support calculation of performance metrics to determine progress. The following performance indicators will be tracked.

► **Percentage of requisitions released by the target requisition release date (by Program Office)**

Improve customers' timely submission of acquisition requirements by the agreed-upon planned target requisition release date.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	35%	30.5%	47%	59%	67%

► **Percentage of awards meeting target award date (by the Office of the Chief Procurement Officer)**

This indicator will track the percentage of awards that are made by the agreed-upon target award date, for actions released by the target requisition release date.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	55%	87.3% ¹²⁶	67%	79%	85%

► **Total number of days to contract award, by acquisition strategy**

This indicator will track the total number of days to award procurement, categorized by each of the main acquisition strategies used to make the award.

Acquisition Strategy	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
8a Set Aside Sole Source	96	65	60	60	60
Full and Open Competition/ Competitive Set Aside	167.8	287.6	210	210	210
Interagency Agreement	34	40	30	30	30
Modification: Option	37	27	30	30	30
Sole Source Negotiated	53	68	75	75	75
Task Order Competitive – HUD	97	27	45	45	45
Task Order Competitive – GSA	156	74	120	120	120
Task Order Non-Competitive Negotiated	59	44	30	30	30
Task Order Non-Competitive Pre-priced	34	56	30	30	30

¹²⁶ This high percentage of awards meeting target award date is reflective of early submissions of requisitions to OCPO, a practice no longer used in an effort to improve the quality of requisitions. Therefore, we expect a lower percentage of awards meeting the target award date moving forward, and the targets for FY15 and FY16 remain unchanged

Management Objective: Departmental Clearance

Reduce the time and complexity of the clearance process by establishing and enforcing clear protocols for drafting and reviewing documents placed in departmental clearance.

OVERVIEW

Departmental clearance of policy documents to be publicly issued by HUD is a necessary and important step prior to public issuance. The objective of departmental clearance is to ensure requisite agreement by applicable HUD leadership on the subject matter and content of the policy, and involves review by HUD offices with expertise, policy or legal, with the subject matter of the policy and is further undertaken to ensure no conflict with other HUD policy or Administration policy. Certain offices, such as the Office of General Counsel (OGC) and the Office of the Chief Financial Officer (OCFO) are tasked with reviewing every office in departmental clearance. For some significant policy documents, submission of the document for departmental clearance is the first time that key HUD policy and support offices such as OGC and OCFO are seeing these documents. The volume of documents HUD places into departmental clearance (documents that consist of not only rules, but policy notices issued by the program offices, HUD handbook and guidebooks) is high, and the volume of documents and unfamiliarity with their content, contribute to the slowness of the departmental clearance process. Additionally, the absence of collaboration with key HUD offices can result in a lengthy clearance process if major disagreements exist. There are also less significant policy documents that only need abbreviated review which go through the full clearance process unnecessarily.

To address these challenges, HUD has established guidelines for development of significant policy documents that include a preclearance process and protocols for clearance of these documents. HUD has also established guidelines designed to institute a significant reduction or no clearance of routine or less significant policy documents.

STRATEGIES

- **Establish guidelines for development of pre-clearance process.** The purposes of preclearance collaboration and review are to begin to develop a written record of the need for rulemaking or guidance, to define the requirements for the rule or guidance, identify risks, begin to develop implementation strategies, and identify stakeholders outside of HUD. Protocols that have been issued clarify that the preclearance process is for significant policy documents, such as documents that implement new law (e.g., the Violence Against Women Reauthorization, 2013, defining Qualified Mortgages for HUD, or new Notices of Funding Availability (NOFAs) or changes to longstanding HUD policies and practices such as Affirmatively Furthering Fair Housing. With respect to the clearance process itself, the review time will be tailored dependent upon whether the clearance item presents new significant policy or legal mandates. Such items will go through full clearance, with a goal of completing review in two weeks. Clearance items not falling into this category will go through an abbreviated and limited review process.

- **Ensure transparency by utilizing a department-wide clearance calendar.** The Clearance Calendar allows everyone within HUD to see the current version of a document in clearance, all clearance comments and resolutions, and the context, major issues, and priorities for each document. By increasing use of the clearance calendar, the clearance process will be much more transparent. This will also provide an electronic record of the time taken for a document to go through clearance.

LEADING THIS OBJECTIVE

Helen Kanovsky
 General Counsel
 Office of General Counsel

FY14 APG PROGRESS UPDATE

HUD was successful in establishing guidelines for development of a preclearance process. And we are working to actively identify other painpoints in the clearance process revealed as we collect this data for the first time in FY15.

MAJOR MILESTONES

9/30/2014 **Establish guidelines for development of pre-clearance process.**

Complete. Protocols have been issued and clarify that the preclearance process is for significant policy documents and clearance process review times will be tailored dependent upon new significant policy or legal mandates. The expectation is that, under the new protocols, fewer documents will undergo departmental clearance, specifically minor documents that do not necessitate review by other HUD program offices or key support offices will be eliminated, and the preclearance process will ensure familiarity with the policy to be put forth in significant policy documents that will facilitate review by clearing offices.
Achieved as of this publication.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following key performance indicator.

► **Percentage of documents that complete the clearance process by the deadline**

HUD will monitor percentage of documents that complete clearance review by the clearance deadline, with a goal of resolving any outstanding issues within 2 weeks following the clearance deadline.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	No Data	NA ¹²⁷	80%	90%

¹²⁷ HUD's Clearance Calendar was launched in August 2013. This performance indicator will first report in FY 2015..

Management Objective: Equal Employment Opportunity

Promote a diverse and inclusive work environment that is free of discrimination and harassment by educating the workforce on the overall Equal Employment Opportunity (EEO) process and their EEO responsibilities as managers and employees of HUD.

OVERVIEW

The Office of Departmental Equal Employment Opportunity (ODEEO) is responsible for ensuring the enforcement of federal laws relating to the elimination of all forms of discrimination in the Department's employment practices and to ensure equal employment opportunity (EEO). ODEEO promotes diversity, fosters a workplace culture that respects differences, and empowers the full and fair participation of all employees in all aspects of HUD worklife. Additionally, ODEEO is responsible for leading the Department's efforts to proactively prevent unlawful discrimination. ODEEO also seeks to foster an agency culture in which disputes are resolved at the lowest possible level and before a formal complaint is filed.

ODEEO will continue to offer training to the HUD workforce on the EEO process and the responsibilities of the workforce regarding Equal Employment Opportunity, as well as serving as a resource to the program office leadership by providing direction, guidance, and monitoring of key activities to ensure the successful implementation of the principles of EEO throughout the Department.

STRATEGIES

- **Maximize EEO training opportunities for all HUD employees.** Make quarterly training programs, workshops, and online training courses on the EEO process available to the entire HUD workforce, and provide an overview of the EEO process to new employees during their orientation sessions. Incorporate mandatory EEO training for all employees, supervisors, managers, and executives on the fundamental competencies of effective leadership through our core values.
- **Establish HUD as a model EEO program.** Work with the Unions to integrate EEO principles into all non-supervisory employees performance standard and establish an EEO performance standard for all supervisory employees to demonstrate commitment from agency leadership. Promote the use of Alternate Dispute Resolution throughout the Department.
- **Proactively track EEO data in order to identify and address EEO issues.** Provide direction, guidance, and monitoring of key activities on a quarterly basis to ensure the successful implementation of the principles of EEO in the program areas. Conduct trend analysis to identify potential areas of concern throughout the Department and develop plans to address any identified concerns.

LEADING THIS OBJECTIVE

John Benison
 Director
 Office of Equal Employment Opportunity

MAJOR MILESTONES

- 12/31/14** **New ODEEO Service Delivery Model implemented.** *Achieved as of this publication.*
- 3/31/2015** **Complete rollout of ODEEO Service Delivery Model.** The new Service Delivery Model will include the implementation of an end to end paperless system for initiating a complaint through resolution. In addition, this model will focus on customer service and counseling rather than complaint processing. The new service delivery model was approved in October 2014. Implementation has begun and all changes are expected to be in place by December 30, 2015.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following performance indicators.

- ▶ **Number of pre-complaint resolutions occurring through the Alternate Dispute Resolution process**

HUD will seek to increase the number of pre-complaint resolutions occurring through the Alternate Dispute Resolution process.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data ¹²⁹	2	Establish Baseline	3	4

- ▶ **Number of complaint filings per fiscal year**

HUD will seek to reduce the number of complaint filings per fiscal year on the basis of reprisal resulting in a hostile working environment.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
67	88	79	79	67	56

¹²⁸ Implementation was slowed due to budgeting and contracting challenges. This has resulted in pushing the date back from March 31, 2015 to December 30, 2015

¹²⁹ Data on mediations was not adequately captured in 2012 and 2013 due to challenges with the e-tracking system that have now been addressed.

Increase the health and safety of homes and embed comprehensive energy efficiency and healthy housing criteria across HUD programs.

Management Objective: Financial Management

OVERVIEW

HUD's current core accounting systems have been a source of audit findings for many years. The systems have limited functionality and are difficult to maintain properly, which increases the risk of failure. Moreover, the current budget process has limited transparency and not all staff are trained on the appropriate budget formulation procedures. Further, HUD's internal control processes need to be improved by addressing these significant deficiencies and material weaknesses.

The Office of the Chief Financial Officer (OCFO) plans to improve internal controls on financial management by reducing significant deficiencies and eliminating material weaknesses across the department. HUD will also improve the reliability of the financial accounting systems. HUD will also modify the budget formulation processes and procedures in order to increase transparency.

STRATEGIES

- **Improve internal controls.** Improve internal controls on financial management by leading cross-agency initiatives to resolve material weaknesses and significant deficiencies, and work with the Office of the Inspector General (OIG) to agree on appropriate solutions. A strategic review of financial management and budget within the department will be performed to tighten the connection between programs and OCFO to optimize its structure.
- **Improve the reliability of the financial accounting systems.** Replace the current financial accounting systems with a new shared services system to improve viability, reliability, and reporting. The new financial accounting system will:
 - Improve functionality by providing on-demand financial information and greater flexibility in creating customized reports for end-users; and
 - Provide financial information and analytical capability to complete analysis to measure the effectiveness and efficiency of program outputs and outcomes
- **Improve the budget formulation process.** OCFO will improve this process by implementing necessary system improvements and establishing an annual budget calendar with timeliness targets to circulate to program offices; create a platform to initiate and respond to customer feedback; prepare clearer budget policies and procedures with program offices; and develop and provide budget formulation training to program office staff. This will allow leadership to make more informed budgetary decisions.

LEADING THIS OBJECTIVE

Joseph Hungate
Deputy Chief Financial Officer
Office of the Chief Financial Officer

FY14 APG PROGRESS UPDATE

The Department succeeded in going live with the Concur module in the New Core Financial Management System in conjunction with the Bureau of Fiscal Service. It's currently on schedule to go live with the Core Financials and Procurement modules on October 1, 2015.

MAJOR MILESTONES

10/1/2015 Implementation of New Core Financial Management System

Replace the current financial accounting systems with a new shared services system to improve viability, reliability, and reporting

- 10/1/2014 – Go live with FedTraveler module (*achieved*)
- 2/8/2015 – Go live with updated WebTA module (*achieved*)
- 10/1/2015 – Go live with Core Financials and Procurement module

9/30/2015 Resolve HUD's material weakness and significant deficiencies.

Resolve pertinent material weaknesses to restore OIG's audit of HUD's financial statements to an unqualified audit opinion for FY 2015. Additionally, establish regular communication with the OIG regarding new audit issues and a path toward resolution of existing material weaknesses and significant deficiencies toward the goal of an unqualified audit opinion in subsequent years.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor completion of the milestones above.

Management Objective: Grants Management

Make the grants management process more efficient and effective by automating and streamlining processes, improving timeliness, and tracking performance.

OVERVIEW

HUD's management and oversight of grants can be more effective and efficient at a number of points over the grant life-cycle. This is the result of a number of conditions: decentralized responsibilities and unclear authorities, a lack of policy and process standardization across program offices, the existence of a multitude of grant-related IT systems for identical or similar tasks, the lack of enterprise grantee performance indicators, and minimal, centralized oversight of program operations.

To address these challenges, HUD will: develop an enterprise performance reporting capability for the Agency's discretionary grants; standardize and strengthen oversight of grant-related policies and processes; improve programmatic oversight of grant programs for compliance and performance; and align and optimize grant-related IT systems agency wide.

STRATEGIES

- **Streamline the grants management process.** Strengthen and align enterprise-wide grants management responsibilities, policies, processes, and IT systems.
- **Reduce the amount of time it takes to get funds to grantees.** Assure the alignment of HUD's policies and processes and the optimization of IT systems results in decreasing the time it takes to get funds to grantees.
- **Develop a comprehensive, standardized performance reporting capability.** Evaluate, align, improve, and consolidate grantee performance information to inform agency decision-making and improve outcomes.

LEADING THIS OBJECTIVE

Henry Hensley
Performance Improvement Officer
Office of Strategic Planning and Management

Rajeev Sharma
Enterprise Architecture Director
Office of the Chief Information Officer

Cliff Taffet
General Deputy Assistant Secretary
Office of Community Planning and Development

FY14 APG PROGRESS UPDATE

HUD has reduced the amount of time to award grants during the second year of implementation of the GrantSolutions shared service from HHS – seeing a reduction to 203 days from submission into clearance to obligation.

MAJOR MILESTONES

- 12/31/2015¹³⁰** **Realign and consolidate performance data elements for Enterprise Performance Reporting for discretionary grants**

Develop standardization for grantee data collection and for receiving performance data from grantees
- 11/1/2015** **Complete analysis for optimization of grant related IT systems**

Make associated recommendations for system consolidation and/or migration based on analysis.
- 9/30/2016** **Implement an Enterprise Performance Reporting Capability for competitive grants**

Evaluate, select, and implement an agency-wide performance reporting system for competitive grants.

MEASURING OUR PROGRESS

To track our progress towards this objective, commencing in FY 2015 HUD will track the following performance indicators:

- ▶ **Notice of Funding Availability (NOFA) Timeliness**

Number of days from submission of NOFA into departmental clearance to obligation of funds

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	347	203 ¹³¹	207	207	TBD based on FY15 Actual

¹³⁰ The draft standardized core performance data elements were placed into Departmental Clearance in December 2014, after consulting with internal HUD grant program stakeholders during the Spring and Summer of 2014. Competing priorities prevented the draft document from completing Departmental clearance in Q1 2014 as anticipated. GMO's current timeline calls for publication in the Federal Register in Q2 / 2015 and completion of the 60 day public comment period in Q3 with time thereafter for response.

¹³¹ FY 2014 Actual is reflective of 15 FY 2014 NOFAs that were fully obligated as of 12/15/14 out of the 26 total FY 2014 NOFAs. Many NOFAs began departmental clearance later in the fiscal year.

Management Objective: Human Capital

Employ, develop, and foster a collaborative, high-performing workforce that is capable of continuing to deliver HUD's mission in a changing and uncertain future.

OVERVIEW

We will employ, develop, and foster a collaborative, values-driven, and capable workforce by focusing our efforts on: 1) promoting greater leadership effectiveness, 2) enhancing employee engagement, and 3) addressing performance results.

The Department will face a number of challenges and changes in the years ahead, as we continue to address the housing recovery during a period of fiscal constraints. Changes in housing markets and communities around the nation are speeding up, just as natural disasters and the need for rebuilding communities across America is also increasing. Meanwhile, it is estimated that 57% of HUD's workforce will be eligible to retire by 2015. To accomplish our mission in the years ahead, we must capture the wisdom and knowledge of our current and departing technical experts and leaders and transmit it to their successors. In that regard, we must value and utilize more effectively the contributions of all our employees as vital members of our workforce and help them fulfill their professional development and career needs.

By improving leadership effectiveness, investing in employee engagement, and addressing performance challenges, we will build a more collaborative workforce, demonstrate our core values, and grow our capabilities. By fulfilling our roles as a trusted strategic partner, a human capital compliance expert, and a transactions facilitator for HUD's employees, we can ensure that HUD's workforce is ready to achieve its mission of creating sustainable, inclusive communities and quality, affordable homes for all.

STRATEGIES

- **Establish succession planning culture.** HUD is vulnerable to losing a wealth of institutional knowledge, based on the anticipated rate of retirements and attrition in key positions over the next few years. HUD faces challenges integrating a new generation of employees into the workforce, while maximizing the talents of our existing workforce. To address these challenges, the Office of the Chief Human Capital Officer (OCHCO) will partner with our customers to deliver consultative and comprehensive talent management programs and services that put the right people in the right place doing the right things to achieve HUD's mission, including building succession planning tools, establishing succession plans, and identifying pools of potential successor candidates.
- **Improve employee engagement.** OCHCO will continue promoting our core values and performance feedback at every level of the Department and equip HUD's executives, managers and employees with the tools they need to improve leader effectiveness, engage employees, identify and address performance deficiencies, and build upon existing strengths in their programs. This will include establishing component level engagement plans aimed at improving painpoints identified by EVS results.

LEADING THIS OBJECTIVE

Towanda Brooks
Acting Chief Human Capital Officer
Office of the Chief Human Capital Officer

FY14 APG PROGRESS UPDATE

HUD's EVS Engagement index remains unchanged at 57% for FY14. The two major efforts in this objective are to establish a succession plan and an employee engagement strategy. In addition to establishing baselines for new metrics, we have begun piloting a succession planning tool to identify high-impact positions, projections of vacancy risks, and lists of potential successor candidates. The Office of the Chief Human Capital Officer is also coordinating a Department-wide effort to establish engagement strategies for each office based on EVS scores and feedback from employees and managers.

MAJOR MILESTONES

- 6/30/2014** Developed a pilot succession planning tool, for identifying: 1) high-impact positions and roles, aligning the positions and roles with departmental strategic goals and objectives; 2) the key competencies for each high-impact position or role; 3) the vacancy risk or likelihood departure of employees occupying high impact positions or roles; 4) a successor pool of employee candidates for each high impact position or role; and 5) the performance gap necessary to be addressed for preparing employee successor candidates to perform the future work required in each high impact position or role. *Achieved as of this publication.*
- 5/30/2015** Develop an Engagement Strategy to strengthen employee engagement and organizational performance. Collaborate within the Agency and across the Federal government to improve employee morale and increase mission success. This strategy will include: a comprehensive review of the HUD's EVS data, gathering input from employees at all levels, using innovative tools to set targets and identify actions, implement agreed upon actions and review progress.
- 5/30/2015** Produce a summary report compiling the collection of information on departmental high impact positions and roles, the key technical and managerial competencies of high impact positions and roles, and bench strength readiness to inform the development of the Department's succession plan. The Report will also include an evaluation of lessons learned from the pilot succession planning tool and incorporate best practices into the development of a departmental module for workforce and succession planning.
- 6/30/2015** Publish a departmental succession plan and guide aligned with HUD's Strategic Plan, Human Capital Strategic Plan, and Strategic Workforce Plan, which includes guidelines for identifying high-impact positions, establishing potential successor pools in program offices, and engaging in professional development activities for potential successors.

11/30/2015 Finalize development of a succession-planning tool. Conduct training for program office leadership and managers on the succession plan and succession planning tool to identify high-impact positions and roles within HUD offices, projections of vacancy risks, and the development of potential successor pools. Track and report the percentage of high-impact positions with potential successor pools.

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following indicators:

► **Talent Management: HUD’s score on the Employee Viewpoint Survey Engagement Index**

In order to measure the impact of activities to improve employee engagement and capability, HUD will track progress on the EVS Engagement Index.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
62	57	57	59	59 ¹³²	61

► **Talent Management: Percentage of high impact positions and roles with an identified pool of potential successors**

HUD will identify the number of employees occupying high-impact positions (executive, manager, and supervisor positions, mission critical occupations, and other key positions) whose departure would cause a significant detrimental effect to an office’s mission or operations, based on the job incumbents’ knowledge, skills, and abilities. Track and report the percentage of high-impact positions that program offices have identified with potential successor pools.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	NA ¹³³	Establish Baseline	25%	25% ¹³⁴

► **Human capital customer satisfaction scores**

In order to measure and improve our own performance in serving HUD’s program offices OCHCO will track internal customer satisfaction.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	46.7%	Establish Baseline	51.47%	5 percentage point increase from FY15

¹³² FY 2015 target has decreased to reflect a 2-point increase over the previous year’s actual.

¹³³ This performance indicator will first report in FY15. Although this indicator was established in the *FY 2013 APR and FY 2015 APP*, the Succession Planning Tool was not yet completed in time to establish an FY 2014 baseline.

¹³⁴ The target for FY16 and FY15 are the same because of the late establishment of this initiative in FY15..

Management Objective: Information Management

Make high-quality data available to those who need it, when they need it, where they need it, to support decision-making in furtherance of HUD's mission.

OVERVIEW

HUD is continuing to make strides toward improving the reliability, accessibility, and quality of its data. HUD has historically had a fragmented approach to technology adoption, which has led to multiple platforms and multiple services competing for resources. HUD also has faced challenges finding the right balance of contracting support and in-house expertise to manage the agency's data and systems effectively and affordably.

Over the next four years, HUD aims to leverage these opportunities by enhancing the quality, availability, and delivery of HUD information to citizens, employees, business partners, and the government, while striving for excellence in IT management practices and governance to consolidate and streamline HUD's systems. In pairing enhanced technology and improved processes with a developing and strengthening workforce, the department expects to vastly broaden its ability to achieve current and future departmental goals.

STRATEGIES

- **Manage and develop HUD's IT workforce.** HUD will develop an IT human capital plan to guide the recruitment, retention, and skill development of staff. We will identify the skills desired within our IT workforce and measure current gaps, then create development programs targeting those competencies.
- **Deploy new technologies, supported by a robust data governance structure.** We will use new technologies to more quickly and reliably gather and disseminate data, and provide better IT services to our staff and clients, including full compliance with Section 508 of the Rehabilitation Act of 1973 and the additional provision of reasonable accommodations as necessary. We will develop a data governance structure and data protocols that will ensure our data are accurate and authoritative, and remove processes or data that are redundant or unnecessary.
- **Consolidate IT infrastructure.** HUD will reduce the number of systems in order to reduce operating costs, achieve interoperability, increase collaboration among operating divisions, improve customer service, and provide a secure and trusted IT environment ensuring confidentiality, integrity, and availability of IT resources.

LEADING THIS OBJECTIVE

Rafael Diaz
Chief Information Officer
Office of the Chief Information Officer

FY14 APG PROGRESS UPDATE

The Department is underway in identifying obsolete applications and systems to be decommissioned in order to streamline HUD systems. HUD had reduced the number of IT systems to 201. Initial customer satisfaction survey results show positive results that we hope to build on in FY15.

MAJOR MILESTONES

- 6/30/2015 Develop and implement an IT Human Capital Plan**
- Develop comprehensive plan to guide the recruitment, training, and retention of IT specialists, along with a long-term approach to strategically supplement in-house expertise with skilled contracting services.
- 6/30/2015 Establish a consolidated IT infrastructure**
- Identify obsolete applications and create decommissioning schedule in order to streamline HUD systems.
 - Refine IT governance processes to ensure collaborative approach to IT infrastructure investment and maintenance.
- 6/30/2015 Develop and implement a data governance structure**
- Through data governance working group, develop strong data governance structure. Identify single, authoritative source for all HUD data collected, as well as a data owner for each set of data and work to consolidate data into a single location with common data elements across multiple data sets.
- 6/30/2016 Operationalize Master Data Management (MDM)**
- 6/30/2016 Complete Implementation of the IT Human Capital Plan**
- 7/31/2016 Execute training strategy to close skills gap identified through the HUD Learn organization-wide skills assessment**
- 9/1/2016 Increased percent of platforms standardized**

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following key performance indicators:

▶ **Number of IT systems**

Total number of HUD IT systems

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	216	201	205	195	186

▶ **Cost of IT systems (in millions)**

Total cost of operating and maintaining HUD IT systems, excluding infrastructure

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
\$97,948,771	\$107,084,731	No Data ¹³⁵	\$101,730,494 ¹³⁶	5% reduction from FY14	5% reduction from FY15

▶ **IT customer service satisfaction scores**

Conduct an annual survey of HUD staff on satisfaction with IT services provided.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
No Data	No Data	84%	NA ¹³⁷	87%	2% increase from FY15

¹³⁵ OCIO's Capital Planning branch is working to resolve audit findings from NFR-16 and implement a process that more accurately captures the cost and to validate the costs that have been previously provided.

¹³⁶ Represents a 5 percent reduction from FY 2013 actual.

¹³⁷ Survey launched in FY 2014.

Management Objective: Organizational Structure

Reduce the cost of leased space, utilities, travel and other related costs by adapting our business processes.

OVERVIEW

HUD is working to modernize its current office structure, working to redefine the workplace as more than just an office, but rather the combination of people and information brought together by technology which allows work to be done at any appropriate location.

In order to measure our success in this endeavor, HUD intends to reduce the amount of space per employee and contractor. Ultimately, this will reduce the total dollars that we spend on leased space, building maintenance, utilities, travel, and other related costs. In order to achieve these efficiencies, HUD will work with the General Services Administration, consistent with section 3 of the Office of Management and Budget (OMB) Memorandum M-12-12, Promoting Efficient Spending to Support Agency Operations, to identify opportunities to reduce space through better use of technology and expanded use of external resources and partnerships.

Additionally, HUD could better meet our customers' needs by more appropriately distributing our workload and personnel by organizational unit. HUD will assess its current staff allocation, workload distribution, and community needs in order to align resources to better serve our customers. In this effort, our goal is not to save money at the expense of our customers, but rather to replace outdated business practices with new business models, ultimately producing greater efficiencies, saving money, establishing sustainable business models, and most importantly, better serve our customers.

STRATEGIES

- **Identify opportunities to reduce space through better use of industry existing best practices.** GSA will lead an initiative to understand our work processes, ultimately resulting in a set of options to utilize existing best practices and change our work processes to reduce space.
- **Get our work in the right organizational unit.** With the ultimate goal of producing greater efficiencies and better serving our customers, HUD will take advantage of new business models, e.g. consolidating offices and leveraging external resources and partnerships.

LEADING THIS OBJECTIVE

Patricia Hoban-Moore
Chief Administrative Officer
Office of Administration

FY14 APG PROGRESS UPDATE

The Department continues to see an increase in dollars spent on leased space, building maintenance, utilities, travel and other related costs. However, average square footage of usable workspace per employees and contractors exceeded its target in FY14. The Department is identifying opportunities to reduce space through better technology and hopes to begin seeing space and cost saving through consolidating field offices from the Office of Multifamily Housing. The Department continues to partner with the General Services Administration to identify unneeded leased space.

MAJOR MILESTONES

- 3/31/2015¹³⁸** Identify opportunities to reduce space through better use of technology. GSA will lead an initiative at no cost to HUD to develop a set of options to reduce space.
- 9/30/2015** HUD will reduce its footprint and increase lease savings via space realignments and office relocations.
- 10/1/2017** HUD's Office of Multifamily Housing will consolidate from 52 field offices to 12 field offices.¹³⁹

MEASURING OUR PROGRESS

To track our progress towards this objective, HUD will monitor the following performance indicators:

► Amount of money spent on space and travel (in millions)

Total dollars spent on leased space, building maintenance, utilities, travel and other related costs.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
\$265	\$279 ¹⁴⁰	\$282	Establish Baseline	Target TBD ¹⁴¹	Target TBD

► Space Utilization (in sq. ft.)

Average square footage of usable workspace per employee and contractor.

FY12 Actual	FY13 Actual	FY14 Actual	FY14 Target	FY15 Target	FY16 Target
329	352	337	342	335	Target TBD

¹³⁸The original date of this milestone was missed, and will be working towards achieving this goal at the new specified date.

¹³⁹ Congressional action directly changed this initiative from consolidating down to 10 offices to consolidating production and operations employees down to 12 offices. In FY 2014, 12 of 52 were consolidated.

¹⁴⁰ This number increased by \$2 million from previous reports due to new information being available

¹⁴¹ Targets to be developed based on outcome of GSA effort



A grayscale photograph of a modern building with a grid of windows and a curved walkway. The building's facade is composed of a repeating pattern of rectangular windows, each set within a slightly recessed frame. A curved walkway with a glass railing runs along the side of the building. The overall scene is brightly lit, creating a clean and architectural atmosphere.

SECTION THREE:

Additional Information

Evaluating Our Strategies and Measuring Our Progress

The Government Performance and Results Act (GPRA) Modernization Act of 2010 calls upon agencies to use evaluation and research evidence to identify evidence-based strategies for reaching intended objectives. HUD continuously conducts research and evaluation to develop HUD's strategies for achieving its strategic goals and to inform budgetary allocations based on information about the cost-effectiveness of HUD's efforts. This Appendix summarizes recently completed and ongoing research and evaluations that are particularly informative for each of HUD's strategic goals.

Additionally, HUD conducts regular data-driven performance reviews—"HUDStat" meetings—which focus on quarterly progress towards achieving each of HUD's priority goals. The Secretary and senior leadership from throughout the agency, and sometimes from partner agencies, attend these meetings to address challenges, review metrics, improve internal and external collaboration, and increase performance. For each objective, the Department will link specific contributing programs through its participation in the [Federal Program Inventory](#). Progress on achieving each of the strategic objectives will be assessed during data-driven review meetings, published in HUD's Annual Performance Report each year, and shared on [Performance.gov](#).

THE RESEARCH ROADMAP

HUD's *Research Roadmap FY 2014—FY 2018* identifies critical policy questions and will guide HUD's research investments over the next four years. The Research Roadmap, published in July of 2013, is available at http://www.huduser.org/portal/pdf/Research_Roadmap.pdf. Formulated by HUD's Office of Policy Development and Research (PD&R), the Roadmap is a highly collaborative, forward-looking effort to identify critical policy questions that should guide PD&R research investments over the next five years. The Roadmap team met with members of Congress, officials from the Office of Management and Budget, the Government Accountability Office, federal sister agencies, and numerous research, practitioner, and advocacy organizations to gather relevant feedback. Over 950 comments were received from stakeholders during the Roadmap's development.

To complete the Roadmap's structured evaluation agenda, HUD seeks to expand successful use of competitive research grants and non-competitive research partnerships to better utilize external expertise in evaluating local innovations and program effectiveness. HUD's Research Partnership program already supports a number of high value research projects aligned with HUD's mission that were proposed by outside stakeholders and have secured a 50 percent match of funds from an external source.

Research and Evaluations Informing Goal 1: Strengthen the Nation's Housing Market To Bolster the Economy and Protect Consumers

RECENTLY COMPLETED RESEARCH AND EVALUATIONS

Analysis of Trends in Household Composition Using American Housing Survey Data. This research project used longitudinal American Housing Survey data to examine trends in household formation and the phenomenon of "doubled-up" households in the aftermath of the housing bubble and recession of 2007

through 2009. The data show substantial increases in doubling up between 2003 and 2009, including a 12.9 percent increase in households with single adult offspring and a tripling of the number of households containing unrelated subfamilies. However, the increase in doubled-up households has not caused more crowding in housing units.

Research and Evaluations Informing Goal 2: Meet the Need for Quality Affordable Rental Homes

RECENTLY COMPLETED RESEARCH AND EVALUATIONS

Redevelopment Agencies in California: History, Benefits, Excesses, and Closure. This staff working paper examined the history and impact of local redevelopment agencies in California, which were intended to combat blight. The redevelopment agencies had operated since the end of World War II and ceased operation in 2012. The agencies had served as an important component of the affordable housing development landscape in California, and the removal of this funding source is expected to decrease affordable housing development by 4,500 to 6,500 units annually through the foreseeable future.

Impact of Oil and Gas Exploration on Affordable Housing. This internal research project examined the impact of oil and gas exploration on the affordable rental-housing market. The project found that energy exploration and the accompanying influx of workers typically put strong upward pressure on housing market rents. This upward pressure causes utilization rates of Housing Choice Vouchers to decline in these areas. Both HUD and state agencies have responded by increasing program flexibility and providing additional resources to these areas.

UPCOMING RESEARCH AND EVALUATIONS

Assessment of Native American, Alaska Native, and Native Hawaiian Housing Needs. At the request of Congress, HUD is assessing housing quality and affordability for Native Americans, Alaska Natives, and Native Hawaiians and evaluating how the Native American Housing Assistance and Self-Determination Act (NAHASDA) has addressed those needs. An interim report, “Continuity and Change: Demographic, Socioeconomic, and Housing Conditions of American Indians and Alaska Natives,” describes trends in social, economic, and housing circumstances of these populations by using secondary sources. A full report on housing needs based on in-depth surveys of properties in Indian Country and interviews with housing providers is expected to be available in 2015.

Housing Choice Voucher Program Administrative Fee Study. HUD is evaluating how much it costs for a housing agency to run an efficient HCV program, with the objective of supporting development of a funding formula for allocating administrative fees. The study is expected to be released in spring 2015.

Worst Case Housing Needs 2013: Report to Congress. HUD periodically reports to Congress on the extent of severe housing problems affecting very low-income renters. The forthcoming report uses the most recent 2013 American Housing Survey data to examine trends during the recovery from the housing crisis and Great Recession. The previous report showed that worst case housing needs affected 8.5 million very low-income

renters in 2011, an increase of 43.5 percent from 2007 levels. A dramatic shift toward renting and growing numbers of very low-income households during the recession drove the increase. As a result, only 65 affordable rental units were available in 2011 for every 100 very low-income renters, and 36 affordable units were available per 100 extremely low-income renters. This report will be released in 2015.

Research and Evaluations Informing Goal 3: Utilize Housing as a Platform for Improving Quality of Life

RECENTLY COMPLETED RESEARCH AND EVALUATIONS

Study of Public Housing Agencies' Engagement with Homeless Households. In support of Opening Doors, the Federal Strategic Plan to Prevent and End Homelessness, this research effort assessed how Public Housing Agencies (PHAs) currently serve and interact with homeless households. Researchers found that PHAs believe the primary issue with serving homeless families is actually finding such families when the PHA is ready to help. PHAs that administer HUD programs aimed at homeless households are more likely to attempt to serve them through mainstream programs. The report recommends strategies by which HUD could encourage PHAs to expand their services for homeless households, such as encouraging partnerships between PHAs and local service organizations and local Continuums of Care.

Opportunity Neighborhoods for Latino and African-American Children. Using a natural experiment involving the Denver Housing Authority, this study quantified how neighborhood conditions affect outcomes for low-income Latino and African-American children who have resided in public housing for a substantial period during childhood. For example, the study found that neighborhoods with higher occupational prestige, a higher proportion of foreign-born populations, lower property crime rates, and lower scores on a social problems index fostered better outcomes for children across the board. In general, the magnitude of neighborhood influences appeared to depend on the gender and ethnicity of the child or youth, and in different ways for different outcomes.

Housing for Youth Aging out of Foster Care. As directed by the Senate report accompanying HUD's FY 2009 Appropriation, this report evaluated the housing models that are most effective in preventing and ending homelessness for youth aged 16 to 24, with a focus on housing settings and assistance available for youth aging out of foster care. About 30,000 youth age out of foster care annually, and previous researchers estimate 11 to 37 percent of such youth have experienced homelessness. The researchers found that the Family Unification Program, which provides housing vouchers to families involved in the welfare system, could provide a solution for many youth aging out of foster care, but the Program is underused. The report recommended that HUD consider changes to the Family Unification Program to better serve youth, such as extending the time limit for youth from 18 months to 24 months.

Family Unification Program: A Housing Resource for Youth Aging Out of Foster Care. This report described the extent to which, and how, communities use the Family Unification Program (FUP) to support youth. Primarily, the Family Unification Program provides housing vouchers to families involved in the welfare system. FUP also provides time-limited housing vouchers to youth ages 18 to 21 who leave foster care and who do not have adequate housing. This report indicated that while FUP can be a useful resource, for various reasons FUP is not widely used for youth. The researchers found that only 47 percent of housing authorities operating FUP

awarded vouchers to former foster youth in the prior 18 months, and youth represented only about 14 percent of total FUP participants. The report recommended that communities must increase awareness of the risk of homelessness for former foster youth, better understand FUP as a resource for this population, and strengthen cross-agency collaboration. However, because FUP is a small, resource-constrained program, additional policy innovations to serve the housing needs of former foster youth should be explored.

Impact of Housing and Services Interventions on Homeless Families (Family Options Study). This random-assignment trial was initiated at the request of Congress to assess the effectiveness of four interventions for helping homeless families with children: 1) project-based transitional housing; 2) community-based rapid rehousing; 3) permanent housing subsidies; or 4) usual care. An interim report provides insights into how homeless assistance is currently delivered. The interim report found, for example, that homeless system resources are highly constrained, and that project-based models presently in communities do not have the flexibility to shift resources to respond to surges or declines in demand. A report on the interventions at 18 months will be available in spring 2015, and a final report in late 2016 will document the impacts of the four interventions at 36 months.

Picture of Housing and Health: Medicare and Medicaid Use among Older Adults in HUD-Assisted Housing. Through an interagency agreement with the Office of the Assistant Secretary for Planning and Evaluation (ASPE) of the Department of Health and Human Services (HHS), HUD arranged for this assessment of the feasibility of matching HUD administrative data to the HHS Centers for Medicare and Medicaid Services (CMS) administrative data. The successful linkage of data at the level of individuals for 12 geographic areas showed that administrative data matching is both possible and useful for tracking health and housing outcomes, research, and policy analysis. The results show that health insurance assistance programs for Medicare beneficiaries reduce out-of-pocket health care expenses and result in savings for HUD. Among HUD-assisted Medicare beneficiaries age 65 years or older, approximately 68 percent of HUD-assisted Medicare beneficiaries were dually enrolled in Medicare and Medicaid. Dual enrollees who are HUD-assisted had more chronic health problems—55 percent of HUD-assisted dual enrollees had 5 or more chronic conditions, compared with 43 percent of unassisted dual enrollees—translating into higher health care utilization and costs. The report is available from ASPE at <http://aspe.hhs.gov/daltcp/reports/2014/HUDpic.shtml>.

UPCOMING RESEARCH AND EVALUATIONS

Evaluation of the Rapid Rehousing for Homeless Families Demonstration Program. The demonstration funded 23 grants for rapid rehousing programs. This research evaluates both the process of the programs and the outcomes of the families served. The evaluation is expected to be published in winter 2015.

Veterans Homelessness Prevention Demonstration. In partnership with the VA and the U.S. Department of Labor, this evaluation tests the effectiveness of veterans homelessness prevention strategies at five sites. The evaluation is scheduled to be completed in March 2015.

Homelessness Prevention Study. This process study documented the first two years of experiences with the Homelessness Prevention and Rapid Rehousing Program (HRPP). The study provides both a national review of HRPP programs and detailed insight into community-level implementation of homelessness prevention programs. The study is expected to be released in the first quarter of 2015.

Research and Evaluations Informing Goal 4: Build Inclusive and Sustainable Communities Free From Discrimination

RECENTLY COMPLETED RESEARCH AND EVALUATIONS

Housing Discrimination Against Racial and Ethnic Minorities 2012. Beginning in 1977, HUD has rigorously monitored trends in racial and ethnic discrimination in both rental and sales markets approximately once each decade through a series of nationwide pair-testing studies. This study, the fourth thus far, measured the incidence and forms of discrimination experienced by minority renters and homebuyers. The study found that the most blatant forms of housing discrimination, such as refusing to meet with a minority home-seeker or provide information about any available units, have declined since the initial 1977 study. However, less blatant discrimination persists: minority home-seekers are told about and shown fewer homes and apartments than whites. As a result, minority home-seekers' housing search costs increase and their choices are constrained.

An Estimate of Housing Discrimination Against Same-Sex Couples. This study was the first large-scale, pair-tested study to assess housing discrimination against same-sex couples in metropolitan rental markets via Internet advertisements. The study found that same-sex couples experience discrimination in the online rental housing market relative to heterosexual couples.

Spatial Analysis of Choice Neighborhoods Initiative Planning Grant Applicants and Neighborhoods. The Choice Neighborhoods Initiative is a competitive grant program that directs investment to neighborhoods characterized by high rates of poverty and severely distressed housing, building on the success of the HOPE VI program. This report summarized the findings of research on the first three years of the Choice Neighborhoods Initiative, with a focus on the Choice Planning Grants and the neighborhoods identified by Choice Planning Grant applicants. Most applicant neighborhoods had majority minority populations and were less diverse than their surroundings. Over the past two decades, applicant neighborhoods showed improvements in educational attainment and labor force participation, but remained highly distressed in terms of poverty, unemployment, and low incomes. This trend underscores the need for programs such as Choice to address deeply entrenched disadvantages.

Study of Household Transition from the Disaster Housing Assistance Program (DHAP-Katrina). The Disaster Housing Assistance Program provided a time-limited, declining rental subsidy and case management services to households that were affected by Hurricanes Rita and Katrina and still did not have permanent housing two years after the storms. The study evaluated post-program outcomes for households seven years after the storms, finding that DHAP-Katrina provided much-needed housing assistance for a vulnerable population. However, four years after the hurricanes, more than half of DHAP-Katrina participants still had no permanent housing solution without using Housing Choice Vouchers for continued assistance. This research demonstrates that some short-term or emergency disaster recipients will need longer-term or even permanent housing assistance after the disaster assistance has ended. Also, post-disaster case management should include job skills development, stable income from employment, and increased access to cash benefits in order to facilitate long-term housing stability and self-sufficiency.

Sustainable Construction in Indian Country. As mandated by Congress, in FY 2011 HUD launched an initiative to support and increase sustainable construction in Native American communities. HUD has published a report on this initiative describing key findings. For example, many obstacles to sustainable development in Indian

Country are the same as the obstacles to conventional development in Indian Country. The report noted that strong enthusiasm exists among those who are implementing sustainable technologies, and that more tribes wanted help with sustainable design and construction than were able to receive it. A companion report, “Best Practices in Tribal Housing,” provides 17 case studies.



Data Sources, Limitations and Advantages, and Validation

This section is organized by strategic goal, measure and program.

Strategic Goal	Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers
Strategic Objective	Establish a sustainable housing finance system that provides support during market disruptions, with a properly defined role for the U.S. government.
Metric	<p data-bbox="298 554 893 583"><i>Overall market share of private capital, GSEs, FHA, and VA</i></p> <ul data-bbox="406 609 1510 1417" style="list-style-type: none"> • Description: This measure will track the share of the mortgage market for private lenders, government-sponsored entities (Fannie Mae and Freddie Mac), and FHA in order to observe FHA’s role in the housing market and the balance of the housing market • Data source: FHA Single Family Data Warehouse, Corelogic TrueStandings; Mortgage Bankers Association of America • Unit of measurement: Share of market • Dimension: Percent • Calculation method: Share of specified mortgage market over share of entire market • Frequency: (of reporting): Quarterly • Direction: Downwards • Data quality (limitations/advantages of the data): We are relying upon CoreLogic TrueStandings loan servicing data for shares by funding source, and MBa for total market origination volumes. CoreLogic coverage of the market has slipped in recent years because subscribing lenders have been selling major servicing portfolios to non-subscribing lenders. CoreLogic is actively recruiting these new non-bank lenders and re-populating its database for 2012 and 2013. The MBa volumes are estimates and subject to error as shares of originations coming through different funding channels changes in real time from what is assumed in the MBa algorithms. Over the last two years, this has led to large revisions in market-size estimates with the release of the annual HMDA LAR data (in September). • Measurement Validation, verification, and improvement of measure: Inside Mortgage Finance publishes its own estimates of agency versus nonagency lending, and we can use that as a reasonability check on our estimates. <p data-bbox="298 1434 422 1463">Sequence: 1</p>

Strategic Goal	Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers
<p>Metric</p>	<p><i>Share of FHA-insured purchase</i></p> <ul style="list-style-type: none"> • Description: This measure will track the share FHA originations that are made to first-time homebuyers. • Data source: Single-Family Data Warehouse and American Housing Survey • Unit of measurement: Share of FHA originations that belong to first-time home buyers • Dimension: Percent • Calculation method: Percent of FHA originations made to first-time homebuyers. • Frequency: (of reporting): Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): We 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 • Measurement Validation, verification, and improvement of measure: American Housing Survey is available every 2 years <p>Sequence: 2</p>
<p>Strategic Objective</p>	<p>Ensure equal access to sustainable housing financing and achieve a more balanced housing market, particularly in underserved communities.</p>
<p>Metric</p>	<p><i>Federal Housing Administration share of originations</i></p> <ul style="list-style-type: none"> • Description: This measure will show the percentage of mortgage originations in the housing market that were made by FHA. • Data source: FHA Single Family Data Warehouse, Corelogic TrueStandings; Mortgage Bankers Association of America • Unit of measurement: Percent of FHA Mortgage Originations • Dimension: Percent • Calculation method: Share of specified mortgage market over share of entire market • Frequency: (of reporting): Quarterly • Direction: Downwards • Data quality (limitations/advantages of the data): We rely upon the MBa for total volumes and CoreLogic for average loan amounts (used to derive loan counts). See limitations on these sources in SO 1A. • Measurement Validation, verification, and improvement of measure: We discuss data quality with MBa and with CoreLogic, and have open communications to express any concerns. <p>Sequence:3</p>

Strategic Goal	Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers
<p>Metric</p>	<p><i>Percentage of loans endorsed with credit score < 680</i></p> <ul style="list-style-type: none"> • Description: This measure will track the percentage of FHA loans endorsed that have borrowers with a credit score under 680. • Data source: FHA Single Family Data Warehouse (FHA Single-Family Origination Trends Report) • Unit of measurement: Loans endorsed that have borrowers with a credit score less than 680 • Dimension: Percent • Calculation method: Number of FHA loans endorsed with a credit score less than 680 divided by the total number of FHA loans with a credit score (those with no score excluded) • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Quality is good; Credit score data comes to HUD via the TOTAL Scorecard, which leverages various private AUS platforms which pull credit scores directly from the credit repositories. • Measurement Validation, verification, and improvement of measure: “Equal access” should not be defined solely by borrower credit score. Lower credit scores mean higher risk of not being able to manage the financial responsibility of large fixed debt payments and other requirements of homeownership. The goal could rather be defined by income level or minority concentrations in geographic areas. <p>Sequence: 4</p>
<p>Metric</p>	<p><i>Percentage of loans endorsed with credit score <680 that evidence successful homeownership over the first five years</i></p> <ul style="list-style-type: none"> • Description: This measure will track the percentage of loans endorsed with credit score less than 680 that evidence successful homeownership over the first five years • Data source: FHA Single Family Data Warehouse • Unit of measurement: Loans with specified credit score conditions • Dimension: Percent • Calculation method: by age/seasoning of loans, show percentage that have NOT resulted in claim nor are in the process of borrowers losing their homes through short sale, DIL, or foreclosure. We need to be careful to treat a streamline refinance as-if it were a continuation of the original home-purchase loan for this exercise. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Data comes from FHA systems and is solid. • Measurement Validation, verification, and improvement of measure: We will likely see ways to improve this over time. <p>Sequence: 5</p>

Strategic Goal	Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers
<p>Metric</p>	<p><i>HUD's Housing Counseling Program clients served</i></p> <ul style="list-style-type: none"> • Description: This measure will track the number of clients counseled through the HUD Housing Counseling program. • Data source: 9902 • Unit of measurement: Number of clients counseled • Dimension: Count • Calculation method: Number of clients counseled as aggregated by agency reporting into 9902. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Housing Counseling Agencies submit the data to HUD's Housing Counseling System (HCS). • Measurement Validation, verification, and improvement of measure: No data limitations are known to affect this indicator. The Housing Counseling Agencies enter the data, and the Office of Housing Counseling monitors the data entry. <p>Sequence: 6</p>
<p>Metric</p>	<p><i>Percentage of housing counseling clients that gain access to resources to improve their housing situation</i></p> <ul style="list-style-type: none"> • Description: This measure will track the percentage of housing counseling clients who gain access to resources to help them improve their housing situation (e.g., down payment assistance, rental assistance) as a direct result of receiving Housing Counseling Services. • Data source: Revised 9902 to be released October 2014 • Unit of measurement: Clients households counseled that gain access to housing finance resources • Dimension: Percentage • Calculation method: Total number of clients that gain access to resources, divided by clients counseled. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Housing Counseling Agencies submit the data to HUD's Housing Counseling System (HCS). • Measurement Validation, verification, and improvement of measure: This is a new measure to be collected beginning in FY 2015. No data limitations are known to affect this indicator. The Housing Counseling Agencies enter the data, and the Office of Housing Counseling monitors the data entry. <p>Sequence: 7</p>

Strategic Goal

Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers

Metric

Percentage of housing counseling clients with whom a counselor developed a sustainable household budget

- **Description:** Revised 9902 released October 2014
- **Data source:** 9902
- **Unit of measurement:** Households counseled that develop a sustainable household budget
- **Dimension:** Percent
- **Calculation method:** Total number of clients that develop a sustainable household budget, divided by clients counseled.
- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** Housing Counseling Agencies submit the data to HUD’s Housing Counseling System (HCS).
- **Measurement Validation, verification, and improvement of measure:** This is a new measure to be collected beginning in FY 2015. No data limitations are known to affect this indicator. The Housing Counseling Agencies enter the data, and the Office of Housing Counseling monitors the data entry.

Sequence: 8

Strategic Goal	Strengthen the Nation’s Housing Market to Bolster the Economy and Protect Consumers
Strategic Objective	Restore the Federal Housing Administration’s financial health, while supporting the housing market recovery and access to mortgage financing.
Metric	<p><i>Asset disposition recovery rate</i></p> <ul style="list-style-type: none"> • Description: This is the net recovery rate that FHA realizes on the sale of distressed assets as a percentage of unpaid loan balance. • Data source: FHA Single Family Data Warehouse • Unit of measurement: Net recovery rate as a percentage of unpaid loan balance of loans that go to claim. • Dimension: Percentage of defaulted unpaid principal balance (UPB) • Calculation method: Standard calculations from our monthly Loan Performance Trends Report. Overall Asset Disposition includes Real Estate Owned (REO), Third Party (TPS), Note Sales (DASP) and Pre-Foreclosure Sales (PFS). Fiscal year to date (FYTD) number of permanent Loss Mitigation Actions divided by 90+ day delinquencies FYTD running average. • Real Estate Owned (REO). The traditional remedy available to FHA was to use the legal foreclosure process to obtain title to the property as satisfaction for the debt, and then to manage and sell that property via the “real-estate owned” (REO) process. REO sales, however, are typically the most expensive disposition method for FHA. • Distressed Asset Stabilization Program (DASP). Through DASP, FHA sells non-performing mortgages to investors prior to the completion of a foreclosure, potentially providing alternatives to foreclosure for borrowers and enabling FHA to avoid costs associated with managing and marketing the underlying collateral as REO properties. • Third-Party Sales (TPS). A program to encourage sales of foreclosed properties to third-parties at foreclosure auctions. Such sales allow FHA to avoid the costs associated with taking possession of properties and selling them as REO. • Pre-foreclosure Sales (PFS). The Pre-foreclosure Sale (PFS) Program allows the defaulted Borrower to sell his/her home and use the Net Sale Proceeds to satisfy the mortgage debt even though the Proceeds are less than the amount owed • Frequency: Quarterly • Direction: reduced overall loss rates (increased recovery rates) • Data quality (limitations/advantages of the data): There are timing lags and reporting lags that make this difficult to accurately assess in real time. • Measurement Validation, verification, and improvement of measure: We are constantly reviewing how we calculate net loss and recovery on asset disposition. <p>Sequence: 9</p>

Strategic Goal**Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers****Metric*****Percentage of modifications resulting in re-defaults within six months of closing***

- **Description:** This measure will track the percentage of borrowers that become 90 days or more delinquent on their loans within six months of receiving a loan modification/FHA HAMP product.
- **Data source:** FHA Single Family Data Warehouse
- **Unit of measurement:** Borrowers
- **Dimension:** Percentage
- **Calculation method:** For the current month, determine 1) how many loan mods were paid during the previous 6 months and 2) how many are presently 90+ days down. Divide 2) results by 1) results.
- **Frequency:** Monthly
- **Direction:** Decreased
- **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.
- **Measurement 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.

Sequence: 10**Metric*****Loss mitigation uptake***

- **Description:** This is the percentage of permanent loss mitigation actions taken as a percentage of serious delinquencies.
- **Data source:** FHA Single Family Data Warehouse
- **Unit of measurement:** Borrowers
- **Dimension:** Percentage
- **Calculation method:** For the current month, determine 1) how many loan mods were paid during the previous 6 months and 2) how many are presently 90+ days down. Divide 2) results by 1) results.
- **Frequency:** Monthly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** For the current month, determine 1) how many loan mods were paid during the previous 6 months and 2) how many are presently 90+ days down. Divide 2) results by 1) results.
- **Measurement 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.

Sequence: 11

Strategic Goal**Strengthen the Nation's Housing Market to Bolster the Economy and Protect Consumers****Metric*****Number of FHA insured mortgages benefitting from housing counseling***

- **Description:** This is the number of FHA borrowers that receive pre- or post-purchase counseling.
- **Data source:** FHA Single Family Data Warehouse
- **Unit of measurement:** Number of specified mortgages
- **Dimension:** Count
- **Calculation method:** Number of FHA borrowers under specified conditions
- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** Loan servicers submit data through TOTAL Scorecard and FHA Connection.
- **Measurement Validation, verification, and improvement of measure:** Loan servicers are required to submit counseling data for HECM loans and HAWK Back to Work loans, and the data is optional for other loan products. Updated guidance on submitting the data for loan products with no counseling requirement will be issued in FY 2015.

Sequence: 12**Metric*****Capital Reserve Ratio***

- **Description:** The capital ratio compares the “economic net worth” of the MMI Fund 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. 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; we will investigate ways of showing on a quarterly basis how the business is actually tracking against the most recent actuarial forecast.
- **Direction:** Increased
- **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.
- **Measurement 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.

Sequence: 13

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
Strategic Objective	Ensure sustainable investments in affordable rental housing.
Metric	<p data-bbox="302 411 954 443"><i>Number of households experiencing “Worst Case Housing Needs”</i></p> <ul data-bbox="407 464 1511 1276" style="list-style-type: none"> • Description: Long-term series of reports designed to measure the scale of critical housing problems facing very low-income, un-assisted renters • Data source: American Housing Survey • Unit of measurement: Number of specified households • Dimension: Count • Calculation method: Biennial survey • Frequency: Annual • Direction: Downwards • Data quality (limitations/advantages of the data): The AHS provides current information on a wide range of housing subjects, including size and composition of the nation’s housing inventory, vacancies, fuel usage, physical condition of housing units, characteristics of occupants, equipment breakdowns, home improvements, mortgages and other housing costs, persons eligible for and beneficiaries of assisted housing, home values, and characteristics of recent movers. In addition to these core indicators, the 2013 AHS includes topical supplements on public transportation, emergency and disaster preparedness, community involvement, neighborhood characteristics, and doubled-up households (movers entering and leaving unit). Topical supplements added in 2011 (health and safety hazards, modifications made to assist occupants with disabilities, and energy efficiency) were dropped, but may rotate back into the questionnaire in subsequent surveys. • Measurement Validation, verification, and improvement of measure: Current plans call for a complete AHS sample redesign beginning with the 2015 survey. As a result, data from the new sample will not be comparable with those from the previous sample. <p data-bbox="302 1287 435 1318">Sequence: 14</p>

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
Metric	<p data-bbox="302 321 951 348"><i>Proportion of very-low income renters facing severe rent burdens</i></p> <ul data-bbox="407 373 1487 978" style="list-style-type: none"> <li data-bbox="407 373 574 401">• Description: <li data-bbox="407 422 878 449">• Data source: American Community Survey <li data-bbox="407 470 1036 497">• Unit of measurement: Specified renters with rent burdens <li data-bbox="407 518 623 546">• Dimension: Ratio <li data-bbox="407 567 818 594">• Calculation method: Annual Surveys <li data-bbox="407 615 639 642">• Frequency: Annual <li data-bbox="407 663 675 690">• Direction: Downwards <li data-bbox="407 711 1487 936">• Data quality (limitations/advantages of the data): All data that are based on samples, such as the ACS and the census long-form samples, include a range of uncertainty. Two broad types of error can occur: sampling error and non-sampling error. Non-sampling errors can result from mistakes in how the data are reported or coded, problems in the sampling frame or survey questionnaires, or problems related to nonresponse or interviewer bias. The Census Bureau tries to minimize non-sampling errors by using trained interviewers and by carefully reviewing the survey’s sampling methods, data processing techniques, and questionnaire design. <li data-bbox="407 957 1276 984">• Measurement Validation, verification, and improvement of measure: See above. <p data-bbox="302 999 436 1026">Sequence: 15</p>

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
<p>Metric</p>	<p><i>Percentage of rental units built in the preceding four years that had rents below \$800</i></p> <ul style="list-style-type: none"> • Description: These metric tracks the percentage of units built that are affordable for the median renter. • Data source: American Housing Survey • Unit of measurement: Percentage of rental units built that are affordable • Dimension: Percentage • Calculation method: Biennial Surveys • Frequency: Annual • Direction: Increase • Data quality (limitations/advantages of the data): The AHS provides current information on a wide range of housing subjects, including size and composition of the nation’s housing inventory, vacancies, fuel usage, physical condition of housing units, characteristics of occupants, equipment breakdowns, home improvements, mortgages and other housing costs, persons eligible for and beneficiaries of assisted housing, home values, and characteristics of recent movers. In addition to these core indicators, the 2013 AHS includes topical supplements on public transportation, emergency and disaster preparedness, community involvement, neighborhood characteristics, and doubled-up households (movers entering and leaving unit). Topical supplements added in 2011 (health and safety hazards, modifications made to assist occupants with disabilities, and energy efficiency) were dropped, but may rotate back into the questionnaire in subsequent surveys. • Measurement Validation, verification, and improvement of measure: Current plans call for a complete AHS sample redesign beginning with the 2015 survey. As a result, data from the new sample will not be comparable with those from the previous sample. <p>Sequence: 16</p>
<p>Strategic Objective</p>	<p>Preserve quality affordable rental housing, where it is needed most, by simplifying and aligning the delivery of rental housing programs.</p>
<p>Metric</p>	<p><i>Number of families served through HUD rental assistance</i></p> <ul style="list-style-type: none"> • Description: Total number of families served through HUD rental assistance • Data source: Multiple • Unit of measurement: Families served through HUD rental assistance • Dimension: Count • Calculation method: Total count of rental assistance programs serving families • Frequency: Varied, see below • Direction: Increased • Data quality (limitations/advantages of the data): See submetrics below. • Measurement Validation, verification, and improvement of measure: See submetrics below. <p>Sequence: 17</p>

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Public and Indian Housing

Public Housing

- **Description:** This indicator tracks the number of occupied rental units within PIH's Public Housing stock, which play a significant role in contributing to overall families served by HUD.
- **Data source:** HUD's Inventory Management System/Public and Indian Housing Information Center System
- **Unit of measurement:** Public Housing occupied rental units
- **Dimension:** Count
- **Calculation method:** The Public Housing occupied rental units count is selected from and based on the universe of Public Housing units that are identified as currently under ACC (Annual Contribution Contract) within IMS/PIC. Public Housing units are assigned with a unit category and status to note the nature of use within the program. The count of units within unit statuses is summed to produce the Public Housing occupied rental units count.
- **Frequency:** Quarterly
- **Direction:** Decrease
- **Data quality (limitations/advantages of the data):** Public housing agencies self-report the data. Public housing agencies annually certify to the accuracy of the building and unit counts as required by the Office of Capital Improvements. Public housing agencies certify to the accuracy of the data submitted to HUD in the Inventory Management System/Public Housing Information system that the Department uses to calculate the formula for allocating Capital Fund and Operating Fund grants.
- **Measurement Validation, verification, and improvement of measure:** With the annual recertification process, data inconsistencies are identified in the Inventory Management System/Public Housing Information Center system. Public housing agencies correct errors in the data displayed on the Capital Fund Building and Unit Data Certification tab page and the Development Details web page. These data corrections are required before certifying the accuracy of the data for that development. When a public housing agency encounters errors that the public housing agency or field office staff cannot correct, the public housing agency is required to inform the Real Estate Assessment Center Technical Assistance Center Help Desk. This center assigns a Help Ticket number to the public housing agency, and the public housing agency enters the number on the Development Details web page. Finally, the public housing agency must also provide a comment that indicates what data elements are wrong, what the correct data are, and why the data cannot be corrected through the normal procedures.

Sequence: 17a

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Tenant Based Rental Assistance Vouchers (TBRA) [HCV]

- **Description:** This indicator tracks the number of occupied rental units within PIH's Housing Choice Vouchers program, including tenant based and Project Based Vouchers. These numbers represent a change from a baseline of 2.2 million units. This data is reported 70 days after the end of the quarter due to data validation processes.
- **Data source:** HUD's Voucher Management System
- **Unit of measurement:** TBRA occupied rental units
- **Dimension:** Count
- **Calculation method:** The Public Housing occupied rental units count is selected from and based on the universe of Public Housing units that are identified as currently under ACC (Annual Contribution Contract) within VMS. Public Housing units are assigned with a unit category and status to note the nature of use within the program. The count of units within the following unit statuses are summed to produce the Public Housing occupied rental units count:
- **Frequency:** Quarterly
- **Direction:** Flat
- **Data quality (limitations/advantages of the data):** The Voucher Management System captures information related to the leading and Housing Assistance Payment expenses for the Housing Choice Voucher program. The public housing agencies enter the information, which provides the latest available leading and expense data. The data, therefore, are subject to human (data-entry) error. The Department, however, has instituted "hard edits" for entries in the system.
- **Measurement Validation, verification, and improvement of measure:** A "hard edit" is generated when a public housing agency enters data that are inconsistent with prior months' data input. When a hard edit is generated, a financial analyst reviews the data and, if necessary, contacts the public housing agency to resolve differences. If the issue cannot be resolved successfully, the transaction is rejected and the public housing agency is required to re-enter the correct information. This process provides additional assurance that the reported data are accurate. The Housing Choice Voucher 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 Voucher Management System data after the monthly database has been submitted to HUD Headquarters for management reporting purposes. Data that appear to be inconsistent with prior months' data are resolved with the public housing agency. Corrections are entered directly into the Voucher Management System to ensure that the data are accurate.
 3. The Public and Indian Housing Quality Assurance Division, using onsite and remote Voucher Management System reviews, validates the data. The division staff reviews source documents on site at the public housing agency to determine if the leasing, Housing Assistance Program expenses, and Net Restricted Assets are consistent with data reported in the Voucher Management System. REAC also compares VMS to FASS data and rejects it if it is materially different.

Sequence: 17b

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
<p>Metric</p>	<p><i>Office of Native American Programs (ONAP)</i></p> <ul style="list-style-type: none"> • Description: This indicator tracks the number of rental units in PIH’s Office of Native American Programs (ONAP) housing stock. • Data source: ONAP Access databases • Unit of measurement: ONAP-occupied rental units • Dimension: Count • Calculation method: ONAP occupied rental units count is aggregated by ONAP, 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: Increase • 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. • Measurement Validation, verification, and improvement of measure: The data are continually reviewed by HUD. When inaccurate data are discovered or suspected, program specialists follow-up with grantees to resolve. <p>Sequence: 17c</p>

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Mainstream Vouchers

- **Description:** Mainstream program vouchers enable families having a person with disabilities to lease affordable private housing of their choice. Mainstream program vouchers also assist persons with disabilities who often face difficulties in locating suitable and accessible housing on the private market.
- **Description:** This indicator tracks the number of occupied rental units within PIH's Housing Choice Vouchers program, including tenant based and Project Based Vouchers. These numbers represent a change from a baseline of 2.2 million units. This data is reported 70 days after the end of the quarter due to data validation processes.
- **Data source:** HUD's Voucher Management System
- **Unit of measurement:** TBRA occupied rental units
- **Dimension:** Count
- **Calculation method:** The Public Housing occupied rental units count is selected from and based on the universe of Public Housing units that are identified as currently under ACC (Annual Contribution Contract) within IMS/PIC. Public Housing units are assigned with a unit category and status to note the nature of use within the program. The count of units within the following unit statuses are summed to produce the Public Housing occupied rental units count:
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** The Voucher Management System captures information related to the leading and Housing Assistance Payment expenses for the Housing Choice Voucher program. The public housing agencies enter the information, which provides the latest available leading and expense data. The data, therefore, are subject to human (data-entry) error. The Department, however, has instituted "hard edits" for entries in the system.
- **Measurement Validation, verification, and improvement of measure:** A "hard edit" is generated when a public housing agency enters data that are inconsistent with prior months' data input. When a hard edit is generated, a financial analyst reviews the data and, if necessary, contacts the public housing agency to resolve differences. If the issue cannot be resolved successfully, the transaction is rejected and the public housing agency is required to re-enter the correct information. This process provides additional assurance that the reported data are accurate. The Housing Choice Voucher 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 Voucher Management System data after the monthly database has been submitted to HUD Headquarters for management reporting purposes. Data that appear to be inconsistent with prior months' data are resolved with the public housing agency. Corrections are entered directly into the Voucher Management System to ensure that the data are accurate.
 3. The Public and Indian Housing Quality Assurance Division, using onsite and remote Voucher Management System reviews, validates the data. The division staff reviews source documents on site at the public housing agency to determine if the leasing, Housing Assistance Program expenses, and Net Restricted Assets are consistent with data reported in the Voucher Management System. REAC

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

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, public housing agencies provide data to the Public and Indian Housing field offices, Section 5 □ Additional Information 63 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 also calculates and requests total required renewal and replacement funding. After funding has been received, the Financial Management Center obligates and disburses funding for Moderate Rehabilitation Renewals or Replacement vouchers with Housing Choice Vouchers funds.
- **Unit of measurement:** Specified rental occupied units
- **Dimension:** Count
- **Calculation method:**
- **Frequency:** Quarterly
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Timeliness and validity of data are dependent on multiple entities, including the Moderate Rehabilitation project owners, Public and Indian Housing field offices, and the Financial Management Center. It is primarily a detailed, time-consuming, manual process.
- **Measurement 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. The Office of Housing Voucher Programs is currently working to develop a more streamlined and automated process to validate and improve the validation.

Sequence: 17e

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Housing

Project-Based Rental Assistance (PBRA) [Section 8]

- **Description:** This sub-metric tracks the number of families receiving rental assistance through the Section 8 PBRA program
- **Data source:** Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (IREMS)
- **Unit of measurement:** Families receiving rental assistance through the Section 8 Project-Based Rental Assistance program
- **Dimension:** Count
- **Calculation method:** Total count of units receiving rental assistance through the Section 8 Project-Based Rental Assistance program
- **Frequency:** Quarterly
- **Direction:** Flat
- **Data quality (limitations/advantages of the data):** The Tenant Rental Assistance Certificate System (TRACS) has more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. 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.
- **Measurement 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. The primary data element for the Tenant Rental Assistance Certificate System 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. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

Sequence: 17f

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Rental Assistance Payments (RAP)

- **Description:** This sub-metric tracks the number of families receiving rental assistance through the Rental Assistance Payment (RAP) program
- **Data source:** Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Families receiving rental assistance through the Rental Assistance Payment (RAP) program
- **Dimension:** Count
- **Calculation method:** Total count of units receiving assistance through the Rental Assistance Payment (RAP) program
- **Frequency:** Quarterly
- **Direction:** Decreasing
- **Data quality (limitations/advantages of the data):** The Tenant Rental Assistance Certificate System (TRACS) has more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes.
- **Measurement 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. The primary data element for the Tenant Rental Assistance Certificate System 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. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

Sequence: 17g

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Rent Supplement

- **Description:** This sub-metric tracks the number of families receiving rental assistance through the Rent Supplement (SUP) program
- **Data source:** : Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Families receiving rental assistance through Rent Supplement (SUP) program
- **Dimension:** Count
- **Calculation method:** Total count of units receiving assistance through the Rent Supplement (SUP) program
- **Frequency:** Quarterly
- **Direction:** Decreasing
- **Data quality (limitations/advantages of the data):** The Tenant Rental Assistance Certificate System (TRACS) has more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes.
- **Measurement 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. The primary data element for the Tenant Rental Assistance Certificate System 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. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

Sequence: 17h

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Project Rental Assistance Contract (Sections 202 Elderly and 811 Persons with Disabilities) [PRAC 202/811]

- **Description:** This sub-metric tracks the number of families receiving rental assistance through the 202/811 Project Rental Assistance program.
- **Data source:** Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (iREMS)
- **Unit of measurement:** Families receiving rental assistance through the 202/811 Project Rental Assistance program
- **Dimension:** Count
- **Calculation method:** Total count of units receiving assistance through a 202/811 PRAC
- **Frequency:** Quarterly
- **Direction:** Increasing
- **Data quality (limitations/advantages of the data):** The Tenant Rental Assistance Certificate System (TRACS) has more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes.
- **Measurement 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. The primary data element for the Tenant Rental Assistance Certificate System 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. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

Sequence: 17i

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
<p>Metric</p>	<p><i>Insured Tax-Exempt/Low-Income Tax Credit (LIHTC)</i></p> <ul style="list-style-type: none"> • Description: 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 Tax Credits • Dimension: Count • Calculation method: Total count of commitments with new or existing low-income housing tax credits or tax-exempt bond financing as part of the FHA transaction. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Complete new LIHTCH/TE units are posed on the SharePoint site based on data provided by the HUD Project Managers who have worked on these projects. The data are judged to be reliable for this measure. • Measurement Validation, verification, and improvement of measure: HUD field staff provide the data which is reviewed and verified by Multifamily Hub and Headquarters staff. <p>Sequence: 17j</p>
<p>Metric</p>	<p><i>202, 236 and 221d3 BMIR</i></p> <ul style="list-style-type: none"> • Description: Count of units covered by old 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) • Unit of measurement: Number of families living in units subsidized by the old 202, 236, IRP, and BMIR programs • Dimension: Count • Calculation method: Count of units • Frequency: Quarterly • Direction: Decreasing (as mortgages mature) • Data quality (limitations/advantages of the data): All of these units are assumed to be occupied. There is no assurance that this assumption is correct. • Measurement 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. <p>Sequence: 17k</p>

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
<p>Metric</p>	<p><i>Community Planning and Development</i></p> <p>HOME Occupied Rental Units</p> <ul style="list-style-type: none"> • Description: HOME funds may be used for the acquisition, new construction or rehabilitation of affordable rental housing • Data source: IDIS • Unit of measurement: Occupied Rental Units • Dimension: Count • Calculation method: Data is derived from grantee accomplishments reported by HOME grantees in the Integrated Disbursement and Information System. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010. • Measurement Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data. <p>Sequence: 17l</p>
<p>Metric</p>	<p><i>Community Development Block Grants—Disaster Relief (CDBG-DR)</i></p> <ul style="list-style-type: none"> • Description: The number of rental units • Data source: DRGR • Unit of measurement: # of Low and moderate income renter households • Dimension: Count • Calculation method: Data is derived from CDBG-DR Sandy grantee projections reported in DRGR • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): Sandy grantees are still providing projections • Measurement Validation, verification, and improvement of measure: Sandy grantees are still providing projections <p>Sequence: 17m</p>

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
<p>Metric</p>	<p><i>Housing Opportunities for Persons with Aids (HOPWA)</i></p> <ul style="list-style-type: none"> • Description: The HOPWA program collects performance outcomes on housing stability, access to care, and prevention of homelessness. • Data source: Integrated Disbursement and Information System (IDIS) • Unit of measurement: Specified persons receiving assistance • Dimension: Count • Calculation method: These performance reports are collected by grantees • Frequency: Annually • Direction: Increased • Data quality (limitations/advantages of the data): Data are reported by formula and competitive grantees through the Consolidated Annual Performance and Evaluation Report and the Annual Progress Report, respectively. These reports reflect annual data collection with limited use of information management technology systems, pending further upgrades. These performance reports are completed by grantees provide the program with insights into client demographics, expenditures for eligible activities, and the number of households served. At this time, the program does not have a client-level data system that provides site-specific information on performance outcomes. Pending enhancements to IDIS, however, will help support data quality and reduce the grantees’ burden. • Measurement Validation, verification, and improvement of measure: Performance reporting information is reviewed by HOPWA technical assistance providers and recorded in grant profiles and national summaries on the program’s website (HUDHRE.info). HUD guidance and technical assistance assists grantees in verifying data quality and completing reports. <p>Sequence: 17n</p>
<p>Metric</p>	<p><i>McKinney-Vento Homeless Assistance Units</i></p> <ul style="list-style-type: none"> • Description: The number of occupied rental units provided through the McKinney-Vento Act • Data source: HIC • Unit of measurement: Occupied rental units for specified people • Dimension: Count • Calculation method: Number of McKinney-Vento funded rental units • Frequency: Annually • Direction: Increased • Data quality (limitations/advantages of the data): CoCs apply for funding for McKinney-Vento rental assistance • Measurement Validation, verification, and improvement of measure: <p>Sequence: 17o</p>

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
Metric	<p><i>HOME TBRA</i></p> <ul style="list-style-type: none"> • Description: For tenants with incomes at or below 80 percent of area median income. • Data source: IDIS • Unit of measurement: Households assisted with TBRA • Dimension: Count • Calculation method: Data is derived from grantee accomplishments reported by HOME grantees in the Integrated Disbursement and Information System. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Current data systems do not capture the length of time or type of assistance (e.g. security deposit) provided to households. • Measurement Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data. For FY 2014, presentation of this data is being revised. <p>Sequence: 17p</p>
Metric	<p><i>Number of units converted using the Rental Assistance Demonstration (RAD)</i></p> <ul style="list-style-type: none"> • Description: Number of units converted using the Rental Assistance Demonstration Program • Data source: Office of Recapitalization data systems • Unit of measurement: Units converted through RAD • Dimension: Count • Calculation method: Total units counted through RAD • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): The data is considered to be accurate and reliable. • Measurement Validation, verification, and improvement of measure: The data is entered and validated by OAHF staff. <p>Sequence: 18</p>

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Housing Choice Voucher utilization rate

- **Description:** Percentage of Housing Choice Vouchers used
- **Data source:** VMS
- **Unit of measurement:** Vouchers utilized
- **Dimension:** Percentage
- **Calculation method:** Vouchers utilized divided by total vouchers
- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** The Voucher Management System captures information related to the leading and Housing Assistance Payment expenses for the Housing Choice Voucher program. The public housing agencies enter the information, which provides the latest available leading and expense data. The data, therefore, are subject to human (data-entry) error. The Department, however, has instituted “hard edits” for entries in the system.
- **Measurement Validation, verification, and improvement of measure:** A “hard edit” is generated when a public housing agency enters data that are inconsistent with prior months’ data input. When a hard edit is generated, a financial analyst reviews the data and, if necessary, contacts the public housing agency to resolve differences. If the issue cannot be resolved successfully, the transaction is rejected and the public housing agency is required to re-enter the correct information. This process provides additional assurance that the reported data are accurate. The Housing Choice Voucher 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 Voucher Management System data after the monthly database has been submitted to HUD Headquarters for management reporting purposes. Data that appear to be inconsistent with prior months’ data are resolved with the public housing agency. Corrections are entered directly into the Voucher Management System to ensure that the data are accurate.
 3. The Public and Indian Housing Quality Assurance Division, using onsite and remote Voucher Management System reviews, validates the data. The division staff reviews source documents on site at the public housing agency to determine if the leasing, Housing Assistance Program expenses, and Net Restricted Assets are consistent with data reported in the Voucher Management System. REAC also compares VMS to FASS data and rejects it if it is materially different.

Sequence: 19

Strategic Goal	Meet the Need for Quality Affordable Rental Homes
Metric	<p data-bbox="302 321 1019 348"><i>Number of units managed under the uniform asset management model</i></p> <ul data-bbox="407 373 1211 772" style="list-style-type: none"> • Description: Units managed through the uniform asset management model • Data source: TBD • Unit of measurement: Units managed through specified model • Dimension: Count • Calculation method: Total amount of units managed through UAM model • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): • Measurement Validation, verification, and improvement of measure: <p data-bbox="302 785 435 812">Sequence: 20</p>
Metric	<p data-bbox="302 852 867 879"><i>Number of inspections saved through inspection sharing</i></p> <ul data-bbox="407 905 1511 1818" style="list-style-type: none"> • Description: Number of inspections saved through inspection sharing • Data source: Manual tracking system (SharePoint) • Unit of measurement: Inspections saved through inspection sharing • Dimension: Count • Calculation method: For each property enrolled in the pilot within each year, inspections saved are calculated by taking the sum of inspections that would have taken place per federal programmatic requirements and subtracting the number of physical inspections that have actually taken place, with one inspection ideally serving all needs. The complete metrics is the count of inspections saved for each property is summed with all pilot properties enrolled for that year. • Frequency: Annually (tracking only) • Direction: Increased • Data quality (limitations/advantages of the data): The Physical Inspection Alignment pilot utilizes several combined sources of information, including HUD-REAC systems, state HFA reports, and USDA-RD reports, to create a baseline of properties to be enrolled in and inspected as part of the alignment pilot. Although some information does come directly from systems (PASS, IREMS), and is combined utilizing SQL queries and Access databases, there is manual manipulation of tracking system data by pilot team staff that is unavoidable, as sources for this information are not located elsewhere. Because no defined system exists, nor are there areas to enter relevant pilot data into preexisting systems, manual errors are a risk. • Measurement Validation, verification, and improvement of measure: Inspections completed by REAC inspectors or contracted inspectors are validated per normal processes—the completion of inspections is systematic and relatively error-free. Inspections completed by HFA partners are validated through other means, but the actual completion of an inspection is verified and maintained in our manual tracking system. <p data-bbox="302 1831 435 1858">Sequence: 21</p>

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Public Housing occupancy rate

- **Description:** Occupancy rate in public housing
- **Data source:** IMS/PIC
- **Unit of measurement:** Percentage of occupied public housing units
- **Dimension:** Percentage
- **Calculation method:** The APG Occupancy Rate is calculated using the following methodology:
Total of Public Housing occupied rental units / (Total Standing ACC Units – Total Uninhabitable Units)

This count is the sum of units occupied by assisted tenants, units occupied by non-assisted tenants, and Special Use units. Total Standing ACC Units, refers to the number of standing (i.e. not removed) units under Annual Contributions Contracts with HUD. The number of Uninhabitable Units refers to ACC units that are vacant and approved for removal from inventory.

- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** The Public Housing occupancy rate faces the same limitations as the “Public Housing occupied rental units” measure. However, the rate may also fluctuate per the changing denominator of ACC units, while retaining the same count of Public Housing occupied rental units.
- **Measurement Validation, verification, and improvement of measure:** The Public Housing occupancy rate faces the same limitations as the “Public Housing occupied rental units”

Sequence: 22

Strategic Goal

Meet the Need for Quality Affordable Rental Homes

Metric

Project Based Rental Assistance (PBRA) occupancy rate

- **Description:** Percentage of units occupied for PBRA
- **Data source:** Data source: Tenant Rental Assistance Certificate System (TRACS) and Integrated Real Estate Management System (IREMS)
- **Unit of measurement:** Percent PBRA units occupied
- **Dimension:** Percentage
- **Calculation method:** Occupied Units divided by Total Units
- **Frequency:** Quarterly
- **Direction:** Flat
- **Data quality (limitations/advantages of the data):** The Tenant Rental Assistance Certificate System (TRACS) has more than 6,000 business rules to ensure data validation. The applications are working with clean, accurate, and meaningful data. Data fields are required for property and project management purposes.
- **Measurement 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. The primary data element for the Tenant Rental Assistance Certificate System 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. The Tenant Rental Assistance Certificate System edits every field, according to the HUD rental assistance program policies.

Sequence: 23

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
Strategic Objective	End homelessness for Veterans, people experiencing chronic homelessness, families, youth and children.
Metric	<p data-bbox="302 411 1076 443"><i>Total homeless Veterans temporarily living in shelters or transitional housing</i></p> <ul data-bbox="407 464 1515 1066" style="list-style-type: none"> • Description: Total homeless Veterans temporarily living in shelters or transitional housing • Data source: PIT • Unit of measurement: Homeless Veterans in specified situation on a single night in January each year • Dimension: Count • Calculation method: A count of homeless persons a single night in January. • Frequency: Annual. 24 CFR 578.7(c)(2) only requires that the counts be done “biennially” • Direction: Increased • Data quality (limitations/advantages of the data): HUD establishes Point-in-Time (PIT) guidance annually that states the minimum amount of data that all CoCs must collect and report to HUD as part of its PIT count. There are additional reporting tools that provide guidance on HUD’s reporting requirements and standards. • Measurement 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 is submitted HUD’s contractors analyze the data again and call communities if there are further discrepancies that need to be explained or corrected. <p data-bbox="302 1083 435 1115">Sequence: 24</p>
Metric	<p data-bbox="302 1146 932 1178"><i>Total Veterans living on the streets, experiencing homelessness</i></p> <ul data-bbox="407 1199 1515 1801" style="list-style-type: none"> • Description: Total Veterans living on the streets, experiencing homelessness • Data source: PIT • Unit of measurement: Homeless Veterans in specified situation on a single night in January each year • Dimension: Count • Calculation method: A count of homeless persons a single night in January • Frequency: Annual. 24 CFR 578.7(c)(2) only requires that the counts be done “biennially” • Direction: Increased • Data quality (limitations/advantages of the data): HUD establishes Point-in-Time (PIT) guidance annually that states the minimum amount of data that all CoCs must collect and report to HUD as part of its PIT count. There are additional reporting tools that provide guidance on HUD’s reporting requirements and standards. • Measurement 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 is submitted HUD’s contractors analyze the data again and call communities if there are further discrepancies that need to be explained or corrected. <p data-bbox="302 1818 435 1850">Sequence: 25</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
Metric	<p data-bbox="298 317 688 348"><i>Veterans placed in permanent housing</i></p> <ul data-bbox="407 373 1495 909" style="list-style-type: none"> • Description: Total number of Veterans housed permanently • Data source: Veteran’s Affairs Homeless Registry, PIC • Unit of measurement: Specified persons • Dimension: Count • Calculation method: Number of unique Veterans who obtain permanent housing divided by the number of placements • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): CoCs apply for funding for permanent supportive housing for Veterans • Measurement Validation, verification, and improvement of measure: HUD staff review each project carefully to ensure the project complies with HUD requirements and reviews the application carefully to verify that the data in the application is accurate <p data-bbox="298 919 436 951">Sequence: 26</p>
Metric	<p data-bbox="298 984 1206 1016"><i>Homeless Veterans served with transitional housing through Continuum of Care resources</i></p> <ul data-bbox="407 1041 1495 1646" style="list-style-type: none"> • Description: Homeless Veterans served through CoC transitional housing programs • Data source: ESNAPS • Unit of measurement: Specified individuals • Dimension: Count • Calculation method: HUD’s CoC grant recipients are required to report on their grants 90 days after the grant’s operating end date. HUD aggregates the data for an entire year’s worth of data. • Frequency: Annually • Direction: • Data quality (limitations/advantages of the data): HUD provides programming specifications to CoCs and grant recipients that are then used by the HMIS programmers. This creates consistency and avoids error. Data is then submitted to HUD via ESNAPS. ESNAPS has several data validations also to ensure consistency. • Measurement Validation, verification, and improvement of measure: HUD staff review each project carefully to ensure the project complies with HUD requirements and reviews the application carefully to verify that the data in the application is accurate. <p data-bbox="298 1656 436 1688">Sequence: 27</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
<p>Metric</p>	<p><i>Homeless Veterans served with permanent supportive housing through Continuum of Care resources</i></p> <ul style="list-style-type: none"> • Description: Homeless Veterans served through CoC permanent supported housing programs • Data source: ESNAPS • Unit of measurement: Count • Dimension: Homeless Veterans served in specified manner • Calculation method: HUD’s CoC grant recipients are required to report on their grants 90 days after the grant’s operating end date. HUD aggregates the data for an entire year’s worth of data. • Frequency: Annual • Direction: Increase • Data quality (limitations/advantages of the data): HUD’s CoC grant recipients are required to report on their grants 90 days after the grant’s operating end date. HUD aggregates the data for an entire year’s worth of data. • Measurement Validation, verification, and improvement of measure: HUD provides programming specifications to CoCs and grant recipients that are then used by the HMIS programmers. This creates consistency and avoids error. Data is then submitted to HUD via ESNAPS. ESNAPS has several data validations also to ensure consistency. <p>Sequence: 28</p>
<p>Metric</p>	<p><i>Individuals experiencing chronic homelessness</i></p> <ul style="list-style-type: none"> • Description: Number of chronically homeless individuals • Data source: PIT • Unit of measurement: Specified individuals • Dimension: Count • Calculation method: Each CoC is required to conduct an annual sheltered count and an unsheltered count every other year. This data is aggregated and reported for this metric. • Frequency: Annually • Direction: Decrease • Data quality (limitations/advantages of the data): HUD establishes Point-in-Time (PIT) guidance annually that states the minimum amount of data that all CoCs must collect and report to HUD as part of its PIT Count. There are additional reporting tools that provide guidance on HUD’s reporting requirements and standards. • Measurement 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 is submitted HUD’s contractors analyze the data again and call communities if there are further discrepancies that need to be explained or corrected. <p>Sequence: 29</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
<p>Metric</p>	<p><i>Number and percentage of Permanent Supportive Housing beds targeted to individuals experiencing chronic homelessness</i></p> <ul style="list-style-type: none"> • Description: Permanent Supportive Housing beds for chronically homeless • Data source: ESNAPS • Unit of measurement: Beds for specified individuals • Dimension: Count and Percentage • Calculation method: HUD conducts an annual competition for CoC Program funding. HUD is continuing to encourage CoCs to use new and reallocated funds to create new permanent supportive housing units for the chronically homeless. This measure reflects the sum of all beds/units funded in the competition that must be dedicated to serve the chronically homeless. • Frequency: Annually • Direction: Increase • Data quality (limitations/advantages of the data): CoCs apply for funding for new permanent supportive housing, with dedicated beds for the chronically homeless. • Measurement Validation, verification, and improvement of measure: HUD staff review each project carefully to ensure the project complies with HUD requirements and reviews the application carefully to verify that the data in the application is accurate. <p>Sequence: 30</p>
<p>Metric</p>	<p><i>Families experiencing homelessness</i></p> <ul style="list-style-type: none"> • Description: Number of Families experiencing homelessness • Data source: PIT • Unit of measurement: Specified groups • Dimension: Count • Calculation method: Each CoC is required to conduct an annual sheltered count and an unsheltered count every other year. This data is aggregated and reported for this metric. • Frequency: Annually • Direction: Decrease • Data quality (limitations/advantages of the data): HUD establishes Point-in-Time (PIT) guidance annually that states the minimum amount of data that all CoCs must collect and report to HUD as part of its PIT Count. There are additional reporting tools that provide guidance on HUD's reporting requirements and standards. • Measurement 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 is submitted HUD's contractors analyze the data again and call communities if there are further discrepancies that need to be explained or corrected. <p>Sequence: 31</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
<p>Metric</p>	<p><i>Number and percentage of admissions of new homeless families into HUD-assisted Housing</i></p> <p>Public and Indian Housing</p> <ul style="list-style-type: none"> • Description: Admissions of new homeless households into Public Housing • Data source: PIC • Unit of measurement: New Homeless Admissions • Dimension: Count and Percentage • Calculation method: Number of families admitted into HUD-assisted housing • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Public housing agencies self-report the data. Based on a review of PIC reporting on line 4C (homeless at admission) of the Form 50058, PIH found that some PHAs were not reporting in this field accurately, or were reporting “no” for all applicants, whether homeless or not. • Measurement Validation, verification, and improvement of measure: PIH issued guidance in the form of Notice PIH 2013-15 to help correct the data quality issue. <p>Sequence: 31a</p>
<p>Metric</p>	<p><i>Multifamily Housing</i></p> <ul style="list-style-type: none"> • Description: Admissions of new homeless households into HUD-assisted Multifamily units • Data source: TRACs • Unit of measurement: New Homeless Admissions • Dimension: Count • Calculation method: Number of families admitted into HUD-assisted housing • Frequency: Quarterly • Direction: Increasing • Data quality (limitations/advantages of the data): Data will be collected beginning in late 2014. Some period of time will be needed to improve the quality of data collection, identify and resolve problems, and to establish baselines. • Measurement Validation, verification, and improvement of measure: <p>Sequence: 31b</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
<p>Metric</p>	<p><i>Percentage of Emergency Solutions Grant dollars dedicated to Rapid Re-housing for homeless families</i></p> <ul style="list-style-type: none"> • Description: Percentage of specified grant dollars for Rapid Re-housing of homeless families • Data source: IDIS • Unit of measurement: Grant Dollars • Dimension: Percentage • Calculation method: Each year, HUD allocates funding to ESG through a formula grant. HUD is encouraging ESG recipients to use funding to rapid rehouse its participants. HUD will look at the percent of its total ESG funds that are expended on RRH activities. • Frequency: Annually • Direction: Increase • Data quality (limitations/advantages of the data): Each year, HUD allocates funding to ESG through a formula grant. HUD is encouraging ESG recipients to use funding to rapid rehouse its participants. • Measurement Validation, verification, and improvement of measure: HUD will look at the percent of its total ESG funds that are expended on RRH activities. <p>Sequence: 32</p>
<p>Strategic Objective 3B</p>	<p>Promote advancements in economic prosperity for residents of HUD-assisted housing.</p>
<p>Metric</p>	<p><i>Percentage of participants enrolled in the Family Self Sufficiency program that have increased wages</i></p> <ul style="list-style-type: none"> • Description: Percent of participants enrolled in FSS program with positive wages • Data source: PIH systems • Unit of measurement: • Dimension: Percentage • Calculation method: Percentage of individuals enrolled in FSS with increased wages divided by total participants • Frequency: • Direction: • Data quality (limitations/advantages of the data): • Measurement Validation, verification, and improvement of measure: <p>Sequence: 33</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
<p>Metric</p>	<p><i>Percentage of Section 3 Residents hired, of total hiring that occurs as a result of Section 3 covered HUD funding</i></p> <ul style="list-style-type: none"> • Description: Percent of Section 3 Residents hired • Data source: Section 3 60002 Reporting System • Unit of measurement: Specified individuals hired • Dimension: Percentage • Calculation method: Number of Section 3 residents hired divided by total of all new hires for all agencies that reported during the period • Frequency: Annual • Direction: Increase • Data quality (limitations/advantages of the data): Recipients of HUD funding enter the data for their programs so it is dependent on their understanding of Section 3 and their accuracy. • Measurement Validation, verification, and improvement of measure: Sample auditing will be done <p>Sequence: 34</p>
<p>Metric</p>	<p><i>Percentage of total dollar amount of construction contracts awarded to Section 3 businesses by covered HUD funding</i></p> <ul style="list-style-type: none"> • Description: Percent of total dollar amount of construction contracts awarded to Section 3 businesses by covered HUD funding • Data source: Section 3 60002 Reporting System • Unit of measurement: Specified dollars used • Dimension: Percentage • Calculation method: Dollars awarded to Section 3 businesses for construction divided by the total dollars awarded to Section 3 businesses • Frequency: Annual • Direction: Increase • Data quality (limitations/advantages of the data): Recipients of HUD funding enter the data for their programs so it is dependent on their understanding of Section 3 and their accuracy. • Measurement Validation, verification, and improvement of measure: Sample auditing will be done <p>Sequence: 35</p>

Strategic Goal

Use Housing as a Platform to Improve Quality of Life

Metric

Percentage of total dollar amount of non-construction contracts awarded to Section 3 businesses by covered HUD funding

- **Description:** Percent of total dollar amount of non-construction contracts awarded to Section 3 businesses by covered HUD funding
- **Data source:** Section 3 60002 Reporting System
- **Unit of measurement:** Specified dollars used
- **Dimension:** Percentage
- **Calculation method:** Dollars awarded to Section 3 businesses for non-construction divided by the total the dollars awarded to Section 3 businesses
- **Frequency:** Annual
- **Direction:** Increase
- **Data quality (limitations/advantages of the data):** Recipients of HUD funding enter the data for their programs so it is dependent on their understanding of Section 3 and their accuracy.
- **Measurement Validation, verification, and improvement of measure:** Sample auditing will be done

Sequence: 36

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
Metric	<p data-bbox="302 317 1052 348"><i>Number of self-certified Section 3 businesses in HUD's registry nationwide</i></p> <ul data-bbox="407 373 1511 873" style="list-style-type: none"> • Description: Number of self-certified Section 3 businesses in HUD's registry nationwide • Data source: Section 3 Business Registry System • Unit of measurement: Number of certified Section 3 businesses • Dimension: Count • Calculation method: Count number of businesses listed in the registry • Frequency: Annual • Direction: This is a new registry so it can only increase as more businesses are added • Data quality (limitations/advantages of the data): Initially there have been some problems because it was a pilot for only a few cities and businesses from other areas were registering and entering an incorrect location. • Measurement Validation, verification, and improvement of measure: As the registry is expanded nationally, that problem will no longer continue. Early data was corrected manually. <p data-bbox="302 888 435 919">Sequence: 37</p>
Strategic Objective	<p data-bbox="561 963 1252 995">Promote the health and housing stability of vulnerable populations.</p>
Metric	<p data-bbox="302 1045 1192 1077"><i>Number of successful transitions through Section 811 Project Rental Assistance program</i></p> <ul data-bbox="407 1102 1511 1770" style="list-style-type: none"> • Description: Number of successful PRAC 811 transitions • Data source: TRACS • Unit of measurement: Successful program transitions • Dimension: Count • Calculation method: Total number of residents of Section 811 Project Rental Assistance units • Frequency: Annually • Direction: Increase • Data quality (limitations/advantages of the data): TRACS will be the most current information on Section 811 PRA residents. It will provide information on previous housing settings (whether resident came from an institution, for example) and reasons for leaving the program (returning to an institution, death or other). • Measurement Validation, verification, and improvement of measure: Once the Section 811 PRA quarterly reporting tool is finalized and adopted, it is expected that this report will provide aggregate information about the subset of Section 811 PRA residents who came from an institution (or were at risk of moving to an institution) and the number of Section 811 PRA residents who left the program because they returned to an institution, their health status changed, they died, or other reason. This metric can be complemented as soon as the reporting tool is adopted. <p data-bbox="302 1785 435 1816">Sequence: 38</p>

Strategic Goal	Use Housing as a Platform to Improve Quality of Life
Metric	<p data-bbox="302 317 1062 348"><i>Percentage of HUD-assisted residents with public or private health coverage</i></p> <ul data-bbox="407 373 1511 873" style="list-style-type: none"> • Description: This metric tracks the percentage of HUD-assisted residents with public or private health coverage • Data source: National Health Interview Survey Match to HUD tenants • Unit of measurement: Specified individuals with health coverage • Dimension: Percentage • Calculation method: Percent of specified individuals with health coverage divided by overall all individuals • Frequency: Annual • Direction: Increase • Data quality (limitations/advantages of the data): This is a rolling sample from annual surveys. Therefore the sample is not a direct, national measurement. • Measurement Validation, verification, and improvement of measure: NCHS experts will provide an estimate for this metric in the coming months. <p data-bbox="302 888 435 919">Sequence: 39</p>

Strategic Goal

Use Housing as a Platform to Improve Quality of Life

Metric

Percent of public housing agencies with smoke-free housing policies

- **Description:** This metric tracks the percentage of public housing agencies that have public housing developments and that have implemented smoke-free housing policies in all or some of their public housing units
- **Data source:** Published public housing agency notices, state public health agency data sources, news articles, and tracking summaries by smoking cessation groups
- **Unit of measurement:** Percentage of public housing agencies with smoke-free policies
- **Dimension:** Percent
- **Calculation method:** Number of public housing agencies that have implemented smoke-free policies in all or some of their public housing units divided by number of public housing agencies with public housing developments
- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** Using published public housing agency notices, news articles, and tracking summaries by smoking cessation groups avoids burdening public housing agencies, but is an indirect source of data
- **Measurement Validation, verification, and improvement of measure:** Reports are cross-checked for consistency re validation and verification; shifting to direct reporting by public housing agencies (into PIH's New Grants Management System, as proposed) will increase the reliability and timeliness of the data, while having a lower burden than would collecting the data separately

Sequence: 40

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Strategic Objective	Reduce housing discrimination, affirmatively further fair housing through HUD programs, and promote diverse, inclusive communities.
Metric	<p data-bbox="302 411 1122 443"><i>Number of people receiving remedies through Fair Housing Act enforcement work</i></p> <ul data-bbox="407 464 1511 1136" style="list-style-type: none"> • Description: Number of people receiving remedies and the number of people per case receiving remedies through Fair Housing Act enforcement work • Data source: TEAPOTS • Unit of measurement: Individuals and individuals per case • Dimension: Count and ratio • Calculation method: Measurement is calculated based on total of complainants, other aggrieved parties, additional victims receiving relief, and OGC additional victims receiving relief for HUD processed cases closed during the period that favored the complainant (conciliations, settlements, decisions in favor of the complainant, etc. i.e. with closure codes 16, 18, 30, 32, 33, 35, 37, 40, 41, 43, 50, 52, or 55). The ratio divides this number by the number of cases closed for the above mentioned reasons. • Frequency: Quarterly • Direction: The count increased from 2,043 in FY2012 to 4,147 in FY2013 and the ratio from 2.3 in FY2012 to 5.3 in FY2013 • Data quality (limitations/advantages of the data): The number of ‘additional victims’ is often an estimate so it may not be accurate. • Measurement Validation, verification, and improvement of measure: Under evaluation and consideration for future remedies <p data-bbox="302 1150 435 1182">Sequence: 41</p>
Metric	<p data-bbox="302 1220 878 1251"><i>Number of cases with monetary relief exceeding \$25,000</i></p> <ul data-bbox="407 1272 1479 1671" style="list-style-type: none"> • Description: Number of cases closed with resolutions that include relief in excess of specified threshold • Data source: TEAPOTS • Unit of measurement: Number of qualifying closed cases • Dimension: Count • Calculation method: Number of closed Title VIII investigations with relief that exceeds threshold • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): • Measurement Validation, verification, and improvement of measure: TBD <p data-bbox="302 1686 435 1717">Sequence: 42</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric	<p data-bbox="302 321 1008 348"><i>Number of cases open more than 300 days at the end of the fiscal year.</i></p> <ul data-bbox="407 373 1507 806" style="list-style-type: none"> • Description: Number of cases open more than 300 days at the end of the fiscal year. • Data source: • Unit of measurement: Number of qualifying open cases • Dimension: Number • Calculation method: • Frequency: Quarterly • Direction: Decrease • Data quality (limitations/advantages of the data): This will be a new process and new system, so there will be a learning curve for all users • Measurement Validation, verification, and improvement of measure: TBD <p data-bbox="302 821 435 848">Sequence: 43</p>
Strategic Objective 4	<p data-bbox="526 888 1287 938">Increase the health and safety of homes and embed comprehensive energy efficiency and healthy housing criteria across HUD programs.</p>
Metric with Submetrics	<p data-bbox="302 982 1463 1010"><i>Number of HUD-assisted or –associated units completing energy efficient and healthy retrofits or new construction</i></p> <ul data-bbox="407 1035 1463 1430" style="list-style-type: none"> • Description: Total number of energy efficient and healthy retrofits • Data source: Multiple • Unit of measurement: Number of energy efficient and healthy retrofits • Dimension: Count • Calculation method: Total of related-programs • Frequency: Varied, see submetrics below. • Direction: Increased • Data quality (limitations/advantages of the data): Varied, see submetrics below. • Measurement Validation, verification, and improvement of measure: Varied, see submetrics below. <p data-bbox="302 1444 435 1472">Sequence: 44</p>

Strategic Goal

Build Strong, Resilient, and Inclusive Communities

Metric with Submetrics

Capital Fund/Indian Housing Block Grant

- **Description:**
- **Data source:** PIH created the Energy and Performance Information Center (EPIC) which collects information on energy conservation measures implemented by housing authorities. Using a checklist, public housing agencies also report on all units that include 1 or more of 39 Energy Conservation Measures, as well as on new or substantial rehabilitation projects that meet ENERGY STAR for New Homes or one or more green standards.
- **Unit of measurement:** The number of specified energy retrofits
- **Dimension:** Count
- **Calculation method:** A “unit equivalent” method was developed to address these data limitations, using the top 10 most cost-effective measures.
- **Frequency:** Quarterly
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** The energy data collected is self-reported and limited; each Energy Conservation Measure is reported separately for each unit (by project) but not bundles so as to report on which bundle of Energy Conservation Measures was installed in a particular unit. Other data limitations are that HUD does not collect pre- and post-retrofit consumption data for these measures, or Energy Conservation Measure costs, so determinations of cost effectiveness for these investments must be estimates, using recognized engineering or costs methods.
- **Measurement Validation, verification, and improvement of measure:** Public and Indian Housing staff validates the data entered into the system in terms of completeness of information. Public and Indian Housing staff provides information to grantees to ensure that the definitional boundaries of data prompts are fully understood. Data may also be confirmed through remote and onsite reviews of public housing agencies.

Sequence: 45a

Strategic Goal

Build Strong, Resilient, and Inclusive Communities

Metric with Submetrics

Energy Performance Contracts (EPC)

- **Description:**
- **Data source:** The data used for reporting for the Energy Performance Contract program were gathered through the Energy Performance Contract Inventory, which all Public and Indian Housing field offices are required to complete annually.
- **Unit of measurement:** Number of Energy Performance Contract Units with Retrofits
- **Dimension:** Count
- **Calculation method:** Every unit incorporated into EPC
- **Frequency:** Annually
- **Direction:** Increased
- **Data quality (limitations/advantages of the data):** For the first time, in FY 2010, the Energy Performance Contract Inventory was restructured to gather data at the asset management project level rather than at the contract level. Training was provided to the field offices to increase the reporting accuracy and completeness. Despite this effort, the Energy Performance Contract Inventory frequently contains missing or erroneous data.
- **Measurement Validation, verification, and improvement of measure:** The data are reviewed for suspected inaccuracies. When reporting data, the Office of Public and Indian Housing makes a strong effort to confirm the data are valid and makes corrections as noted. The Office of Public and Indian Housing is endeavoring to improve the Energy Performance Contract Inventory to make it easier to complete, thus improving accuracy and completeness. At the same time, the Office of Public and Indian Housing is working to integrate the Energy Performance Contract Inventory with its existing reporting systems, which tend to be more sophisticated, yet easier to use.

Sequence: 45b

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p data-bbox="298 317 1143 348"><i>Developed Energy Efficient Units (HOPE VI/Mixed-Finance/Choice Neighborhoods)</i></p> <ul data-bbox="407 373 1510 1115" style="list-style-type: none"> • Description: Developed Energy Efficient Units • Data source: The HOPE VI Grants Management System • Unit of measurement: Units built to green standard • Dimension: Count • Calculation method: Units built to green standard • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): For the first time, during FY 2010, the Grants Management System was expanded to collect information on whether the HOPE VI units being built were achieving a comprehensive green standard (for example, LEED for Homes), a non-comprehensive energy-efficiency standard (for example, ENERGY STAR for New Homes), or meeting the local building code. The Grants Management System has some limitations. In particular, the data are self-reported. The data collected through the system are limited in scope to the achievement of green standards. Although these standards are the highest ideal, no data are collected about building practices that are better than the minimum, but yet, the practices do not reach the level of a green standard. • Measurement Validation, verification, and improvement of measure: Grantees are required to use the data system quarterly. Each quarter, the grants manager in charge of each project checks the data for reasonableness. In addition, the HOPE VI program has a data collection contractor on staff to provide technical assistance to grantees that are completing their reporting requirements. <p data-bbox="298 1129 448 1157">Sequence: 45c</p>
Metric with Submetrics	<p data-bbox="298 1192 526 1224"><i>Better Buildings – PIH</i></p> <ul data-bbox="407 1249 1463 1682" style="list-style-type: none"> • Description: To make PIH buildings 20% more energy efficient over the next 10 years and accelerate private sector investment in energy efficiency. • Data source: Data collection mechanism under development • Unit of measurement: See above • Dimension: See above • Calculation method: See above • Frequency: See above • Direction: Increase • Data quality (limitations/advantages of the data): See above • Measurement Validation, verification, and improvement of measure: See above <p data-bbox="298 1696 448 1724">Sequence: 45d</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
<p>Metric with Submetrics</p>	<p><i>Community Planning Development</i></p> <p>Home Investment Partnerships</p> <ul style="list-style-type: none"> • Description: • Data source: IDIS • Unit of measurement: Housing units • Dimension: Count • Calculation method: Data is derived from grantee accomplishments reported by CDBG grantees in the Integrated Disbursement and Information System. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010. • Measurement Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data. <p>Sequence: 45e</p>
<p>Metric with Submetrics</p>	<p><i>CDBG—Energy Star</i></p> <ul style="list-style-type: none"> • Description: The number of newly constructed units in the CDBG program which have been identified by grantees as Energy Star • Data source: Aggregated (summed) raw data on accomplishments reported by Community Development Block Grant grantees in the Integrated Disbursement and Information System. • Unit of measurement: Housing Units • Dimension: Count • Calculation method: Data is derived from grantee accomplishments reported by CDBG grantees in the Integrated Disbursement and Information System. • Frequency: Quarterly • Direction: Increased • Data quality (limitations/advantages of the data): Data reliability has been enhanced by the re-engineering of the system at the end of FY 2009 into FY 2010. • Measurement Validation, verification, and improvement of measure: When monitoring grantees, Community Planning and Development field staff verifies program data. <p>Sequence: 45f</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p data-bbox="302 321 553 348"><i>CDBG-DR Sandy—Green</i></p> <ul data-bbox="407 373 1507 873" style="list-style-type: none"> • Description: The number of new construction units and substantially rehabilitated units (including reconstruction) funded by the CDBG-DR Sandy allocation. All of these types of units are required to meet one of the green building certification standards identified by Notice. • Data source: DRGR • Unit of measurement: Number of substantially rehabilitated units • Dimension: Count • Calculation method: Data is derived from CDBG-DR Sandy grantee projections reported in DRGR. • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): Sandy grantees are still providing projections • Measurement Validation, verification, and improvement of measure: Sandy grantees are still providing projections <p data-bbox="302 888 448 915">Sequence: 45g</p>
Metric with Submetrics	<p data-bbox="302 957 423 984"><i>Multifamily</i></p> <p data-bbox="302 999 483 1026">MF Endorsements</p> <ul data-bbox="407 1052 1511 1764" style="list-style-type: none"> • Description: Finally endorsed FHA-insured units that are retrofitted with energy efficient features • Data source: DAP and SharePoint site for MAP goals for insured production as reported for MAP goal 4C • Unit of measurement: Number of units • Dimension: Count • Calculation method: Total count of finally endorsed FHA-insured units that are retrofitted with energy efficient features • Frequency: Monthly • Direction: Increasing • Data quality (limitations/advantages of the data): Newly constructed or substantially rehabilitated properties with tax credits or tax-exempt bond financing are tracked in DAP. Other properties with certified green design. Energy Star appliances, Energy Star systems, or Water Sense must be entered post-endorsement into a SharePoint site developed specifically to track this goal. Since the site is updated independently of DAP, there is no assurance that all applicable units are reported in SharePoint. • Measurement Validation, verification, and improvement of measure: The purpose of a loan (for example, new construction, substantial rehabilitation) and special characteristics (for example, LIHTC, tax exempt bonds) which were entered in DAP by technical staff in insured production are displayed on DAP Form HUD-290 which is reviewed and signed by Hub and Program Center Directors and so are considered to be reliable. <p data-bbox="302 1778 448 1806">Sequence: 45h</p>

Strategic Goal

Build Strong, Resilient, and Inclusive Communities

Metric with Submetrics

Mark to Market

- **Description:** The Rehabilitation Escrow Administration database, a system maintained to track and approve retrofit schedules, costs, and specifications, and used to review and approve funding draws on completion and verification of work completion.
- **Data source:** OAHP data system as reported for MAP goal 4A
- **Unit of measurement:** The number of units retrofitted with energy efficient features through the Mark to Market program
- **Dimension:** Count
- **Calculation method:** Total number of units retrofitted with energy efficient features through the Mark to Market program
- **Frequency:** Monthly
- **Direction:** Increasing
- **Data quality (limitations/advantages of the data):** The Agency has a high degree of confidence in the accuracy of the data. Basic transaction parameters are derived from official record sources—Mark-to-Market system and Rehabilitation Escrow Administrations database—and locked down in the independently maintained database.
- **Measurement Validation, verification, and improvement of measure:** Limited and finite number of properties being tracked; independently maintained database; accessible only by a limited number of highly trained professionals, minimizing the opportunity for user input errors or data corruption; regular reports from the database allow for a reality check period over period; Approved Funds Control Plans and Front End Risk Assessments require a high degree of review and approval for accuracy (that is, the process ensures quality data).

Sequence: 45i

Strategic Goal

Build Strong, Resilient, and Inclusive Communities

Metric with Submetrics

Section 202/811

- **Description:** The number of units retrofitted with energy efficient features through the 202/811 program
- **Data source:** Multifamily Portfolio Reporting Database (MPRD) as reported for MAP goal 4B
- **Unit of measurement:** Number of units retrofitted with energy efficient features
- **Dimension:** Count
- **Calculation method:** Total number of units retrofitted with energy efficient features through the 202/811 program
- **Frequency:** Monthly
- **Direction:** Increasing
- **Data quality (limitations/advantages of the data):** 202/811 program data is drawn from the Multifamily Portfolio Reporting Database which is populated by the integrated Real Estate Management System (iREMS). iREMS is the official source of data on Multifamily Housing's portfolio of insured and assisted properties. iREMS obtains its data from interfacing systems as well as user entry. iREMS uses the HEREMS database, which serves as Housing's and DEC's centralized database. For 202/811 development purposes HEREMS obtains its data from the Development Application Processing (DAP) system.
- **Measurement Validation, verification, and improvement of measure:** The activity indicator used to calculate the 202/811 energy efficiency measure is "dap_construction_completion_dt". The energy efficiency requirement was incentivized in the FY2009 NOFA selection process and was mandated in the FY 2010 NOFA. Therefore every 202/811 project funded in FY 2010 and virtually every one funded in FY 2009 that have completed construction count towards the goal. Thus, the information is considered to valid and reliable.

Sequence: 45j

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p data-bbox="302 321 456 348"><i>Green Refi Plus</i></p> <ul data-bbox="407 373 1511 947" style="list-style-type: none"> • Description: The number of QPE green risk sharing applications that have been finally endorsed. • Data source: DAP • Unit of measurement: The number of applications that have been finally endorsed. • Dimension: Count • Calculation method: Total count of applications under the QPE risk sharing program that have been finally endorsed • Frequency: Quarterly • Direction: Increasing • Data quality (limitations/advantages of the data): The Agency has a high degree of confidence in the accuracy of the data that has been entered in DAP. • Measurement Validation, verification, and improvement of measure: The purpose of a loan (for example, refinancing) and the section of the act (which identifies risk sharing) which were entered in DAP by technical staff in insured production are displayed on DAP Form HUD-290 which is reviewed and signed by Hub and Program Center Directors and so are considered to be reliable. <p data-bbox="302 957 448 984">Sequence: 45k</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p><i>Better Buildings – MF</i></p> <ul style="list-style-type: none"> • Description: The number of partners that are participating in the Better Building Challenge (BBC) • Data source: BBC tracking database • Unit of measurement: The number of partners that are participating in the Better Building Challenge • Dimension: Count • Calculation method: Total count of partners that are participating in the Better Building Challenge • Frequency: Monthly • Direction: Increasing • Data quality (limitations/advantages of the data): Data on partner names comes from report provided by a consultant to HUD MF BBC Lead Kevin Bush, in OER. Mara Blitzer adds the other information – HQ location, hub office location, and region associated – that she collects herself into the tracking database that is attached to the MAP report. • Measurement Validation, verification, and improvement of measure: Hub office staff review the tracking database to see whether a partner entity is missing or if the entity has been incorrectly assigned to the hub office or region. We don't have a protocol in place for improving the measure. <p>Sequence: 45l</p>
Metric with Submetrics	<p><i>Single Family EEMs</i></p> <ul style="list-style-type: none"> • Description: Total number of Energy Efficient Mortgages • Data source: Single Family Data Warehouse • Unit of measurement: Number of Energy Efficient Mortgages • Dimension: Count • Calculation method: Excel Count • Frequency: Quarterly • Direction: Reduction of trending decline • Data quality (limitations/advantages of the data): Dependent on lender's input of info. • Measurement Validation, verification, and improvement of measure: None <p>Sequence: 45m</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p><i>PowerSaver (Title 1)</i></p> <ul style="list-style-type: none"> • Description: Total number of PowerSaver loans • Data source: Single Family Data Warehouse • Unit of measurement: Number of PowerSaver Title I loans • Dimension: Count • Calculation method: Excel Count • Frequency: Quarterly • Direction: Stable • Data quality (limitations/advantages of the data): Lender supplied is good as reporting is connected to grant funds. • Measurement Validation, verification, and improvement of measure: None <p>Sequence: 45n</p>
Metric with Submetrics	<p><i>203K</i></p> <ul style="list-style-type: none"> • Description: Total number of PowerSaver 203(k) loans • Data source: Single Family Data Warehouse • Unit of measurement: Number of PowerSaver loans • Dimension: Count • Calculation method: Excel Count • Frequency: Quarterly • Direction: Stable • Data quality (limitations/advantages of the data): Lender supplied is good as reporting is connected to grant funds. <p>Sequence: 45o</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p data-bbox="298 317 805 348"><i>Office of Healthy Homes and Lead Hazard Control</i></p> <p data-bbox="298 363 513 390">Lead Hazard Control</p> <ul data-bbox="407 426 1495 1031" style="list-style-type: none"> • Description: Number of housing units made lead-safe through 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: Increased • 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 • Measurement Validation, verification, and improvement of measure: Reports are validated against financial payments (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. <p data-bbox="298 1043 448 1071">Sequence: 45p</p>
Metric with Submetrics	<p data-bbox="298 1108 456 1140"><i>Healthy Homes</i></p> <ul data-bbox="407 1163 1495 1768" style="list-style-type: none"> • Description: Number of housing units made healthier and/or safer through 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: Increased • 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 • Measurement Validation, verification, and improvement of measure: Reports are validated against financial payments (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. <p data-bbox="298 1780 448 1808">Sequence: 45q</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric with Submetrics	<p><i>Lead Hazard Enforcement</i></p> <ul style="list-style-type: none"> • Description: Housing units made lead-safe per agreements or orders under the Lead Disclosure Rule • 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: Increased • 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 and for 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. • Measurement Validation, verification, and improvement of measure: Lead hazard control work is validated by consistency checks on records from owners/managers, and verified by EPA- or State-certified lead risk assessors; measure could be improved with routine on-site quality control checking by HUD lead program enforcement and/or its lead enforcement partners. <p>Sequence: 45r</p>
Metric with Submetrics	<p><i>Lead Safe Housing Rule - HOME-CDBG-HOPWA</i></p> <ul style="list-style-type: none"> • Description: Housing units made lead safe through work under HUD’s Lead Safe Housing Rule • Data source: Reporting by funding recipients as tracked by CPD’s 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: Increased • 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. • Measurement 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. <p>Sequence: 45s</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Strategic Objective	Support the recovery of communities from disasters by promoting community resilience, developing state and local capacity, and ensuring a coordinated federal response that reduces risk and produces a more resilient built environment.
Metric	<p data-bbox="300 436 1485 468"><i>Percentage of Sandy Task Force recommendations related to disaster recovery and resilience that have been completed</i></p> <ul data-bbox="407 489 1515 1129" style="list-style-type: none"> • Description: Percentage of Sandy Task Force recommendations related to disaster recovery and resilience that have been completed • Data source: Sandy PMO • Unit of measurement: Percentage of completed recommendations for disaster recovery • Dimension: Percentage • Calculation method: Completed recommendations divided by total recommendations • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): Recommendation completion is determined and reported by individual agencies that own each recommendation. Targets for this metric are based on agency projections for completion but changing circumstances can alter the work plans for each recommendation and thus the timeframe for completion of the measure. • Measurement Validation, verification, and improvement of measure: Recommendation completion is determined and reported by individual agencies that own each recommendation. Targets for this metric are based on agency projections for completion but changing circumstances can alter the work plans for each recommendation and thus the timeframe for completion of the measure. <p data-bbox="300 1142 435 1173">Sequence: 46</p>
Strategic Objective	Strengthen communities' economic health, resilience and access to opportunity.

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
<p>Metric</p>	<p>Choice Neighborhoods</p> <p><i>Number of replacement housing units developed</i></p> <ul style="list-style-type: none"> • Description: Total number of units developed replacing previously removed Public Housing or HUD-Assisted Multifamily Housing inventory • Data source: Grantee Reporting System • Unit of measurement: Housing Units • Dimension: Count • Calculation method: • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): None • Measurement Validation, verification, and improvement of measure: HUD Grant Management Team validates data with Grantee <p>Sequence: 47</p>
<p>Metric</p>	<p><i>Total Dollars Leveraged by Grantees</i></p> <ul style="list-style-type: none"> • Description: Total number of units developed replacing previously removed Public Housing or HUD-Assisted Multifamily Housing inventory • Data source: Grantee Reporting System • Unit of measurement: Dollars • Dimension: Count • Calculation method: • Frequency: Annually • Direction: Increase • Data quality (limitations/advantages of the data): Dependent upon mechanism for tracking partner expenditures • Measurement Validation, verification, and improvement of measure: HUD Grant Management Team validates data with Grantee <p>Sequence: 48</p>

Strategic Goal	Build Strong, Resilient, and Inclusive Communities
Metric	<p data-bbox="302 321 850 348"><i>Number of building permits filed in the neighborhoods</i></p> <ul data-bbox="399 373 1511 804" style="list-style-type: none"> • Description: Total number of building permits filed within the Choice Neighborhoods target neighborhood • Data source: Local Municipal Business Permit Offices via Grantee Reporting System • Unit of measurement: Permits • Dimension: Count • Calculation method: • Frequency: Quarterly • Direction: Increase • Data quality (limitations/advantages of the data): None • Measurement Validation, verification, and improvement of measure: HUD Grant Management Team validates data with Grantee <p data-bbox="302 821 435 848">Sequence: 49</p>
Metric	<p data-bbox="302 888 781 915"><i>Number of assisted residents with wage income</i></p> <ul data-bbox="399 940 1500 1440" style="list-style-type: none"> • Description: Number of residents of target Public Housing or HUD-Assisted Multifamily Housing with wage income • Data source: EIV • Unit of measurement: Persons • Dimension: Count • Calculation method: • Frequency: Annually • Direction: Increase • Data quality (limitations/advantages of the data): Dependent upon quality/timeliness of data entered into EIV • Measurement Validation, verification, and improvement of measure: HUD's Office of Policy Development and Research validates the data, and HUD Grant Management Team validates the data with Grantee <p data-bbox="302 1457 435 1484">Sequence: 50</p>



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