



U.S. Department of Housing and Urban Development

# STRATEGIC PLAN

2018-2022



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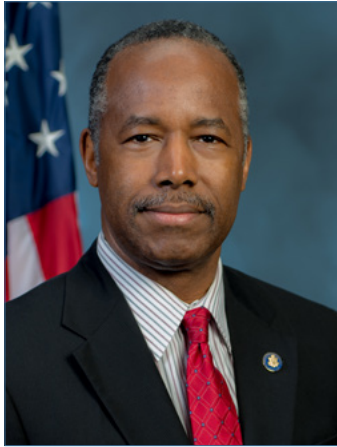
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## MESSAGE FROM THE SECRETARY

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I am proud to present this update to the U.S. Department of Housing and Urban Development's (HUD's) Strategic Plan for Fiscal Years 2018-2022. The goals and priorities in this plan will enable HUD to achieve its mission to provide safe, decent, affordable housing for the American people while being good stewards of taxpayer dollars. Our vision is to continually seek to improve how we deliver our programs so that we can be true to our mission to expand opportunities for those we're charged to serve.

For generations, the idea of the Federal Government providing housing assistance meant only one thing—helping to pay the rent so families can have a roof over their heads. But we must also think about how we can help families to access financial programs, educational opportunities, and higher-paying jobs. In short, we must think beyond investing in bricks and mortar, and think about investing in people.

In today's very tight labor market, employers are desperate for workers and we need to rise to the challenge. The result would be a win-win for everyone – with tenants earning more money so they can graduate from HUD assistance, and local economies getting more work-able persons. That's why HUD is focusing on a more holistic approach to bringing together the public sector, private sector, and nonprofit community. These partnerships are key to developing the skills and talents of our residents – with the goal of promoting family self-sufficiency and a life beyond public assistance.

To achieve this vision, HUD is pursuing the policy and management objectives laid out in this plan. HUD's first overarching goal is to advance economic opportunity for HUD-assisted residents, by creating an environment where they can access affordable housing and achieve self-sufficiency and financial stability.

HUD's second goal is to protect American taxpayer funds, by streamlining and improving our financial management, modernizing grants management, and strengthening enterprise and fraud risk management. Today, we are reducing, and ultimately aim to eliminate, challenges to our financial processes and controls through a Department-wide Financial Transformation Plan and Integrity Task Force.

As we evaluate the assistance HUD provides, we must direct funds to cost-effective strategies that work. HUD's third goal, as described in this plan, is to streamline HUD's operations by radically simplifying rules and improving the function of programs to better serve our customers. This includes examining what our customers need and what we can provide to determine the optimal provision of services. HUD is also working to streamline acquisitions and modernize HUD's antiquated information technology systems that increasingly place our programs at risk.

Despite low unemployment and strong economic growth, we face some headwinds in the campaign to increase access to affordable housing. Set against the backdrop of rising interest rates and increasing rents, we need to bring everybody to the table to ease the pressure that is forcing too many of our neighbors into our shelters and onto our streets. The lack of decent affordable housing is not a Federal problem—it's everyone's problem.

This update to HUD's 2018-2022 Strategic Plan describes how HUD will continue encouraging American communities to thrive and prosper by improving affordable housing programs, promoting economic opportunity, working to end homelessness, and eliminating lead and other home health and safety hazards. History has shown us that spending more taxpayer dollars does not always create better outcomes. Instead, HUD will focus on strengthening public/private partnerships, positioning those who receive housing assistance to achieve self-sufficiency, and using taxpayer dollars more effectively by operating more efficiently. Through these efforts we will give the American people and their communities the opportunity to thrive.

## HUD'S MISSION

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### **CREATE STRONG, SUSTAINABLE, INCLUSIVE COMMUNITIES AND QUALITY AFFORDABLE HOMES FOR ALL.**

#### INTRODUCTION

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

HUD's FY 2018-2022 Strategic Plan lays out this administration's strategy to refocus HUD on its core mission and modernize its approach by leveraging private-sector partnerships, strengthening the housing market, and encouraging affordable housing investment, while redesigning internal processes. A primary goal of HUD's four-year vision is to better protect taxpayer funds. As stewards of the public trust, all of HUD's leadership and staff must take ownership of what the Department does and be accountable as public servants. Strengthening accountability also means HUD must streamline how the Department works, delivers services, and achieves its mission. The FY 2018-2022 Strategic Plan presents the core vision of what we hope to accomplish, the strategies to accomplish those objectives, and the indicators of success.

This 2019 reissue of the FY 2018-2022 HUD Strategic Plan amends, updates, and supersedes the version that was previously published in February 2018.

#### REFOCUSING ON HUD'S CORE MISSION AND MODERNIZING HUD'S APPROACH

To achieve its core mission while being a good steward of taxpayer dollars, HUD must rethink how it does business. HUD can encourage and better leverage private capital investment by right-sizing its role in the housing market. By partnering with state, local and private entities and providing more flexibilities, HUD can empower increased local decision-making. Most importantly, HUD must look within to identify ways to use its resources more effectively.

#### LEVERAGING PRIVATE-SECTOR PARTNERSHIPS

HUD will look at ways to restore local control and sponsor communities' home-grown solutions. Local communities provide numerous examples of the success of private organizations—churches, fraternal organizations, and businesses, large and small—working with government support to positively impact communities. Such community organizations and businesses are the life-blood of communities. Partnerships are most effective when HUD and other branches of government facilitate cooperation, without hindering private initiative and economic growth. Many of the objectives outlined in the plan will rely on effectively leveraging private capital and forming community partnerships. To ensure public-private engagements are productive, HUD must reduce burdens on the recipients of Departmental funding and provide greater flexibilities. HUD must empower community organizations and businesses to achieve its goals.

#### SUPPORTING SUSTAINABLE HOMEOWNERSHIP AND ENCOURAGING AFFORDABLE HOUSING INVESTMENTS

With the housing market strengthening, HUD must support responsible homeownership for credit-worthy borrowers who have been traditionally underserved, such as first-time and minority homebuyers, and

increased private capital investment in affordable housing. HUD will also work with other Federal partners on comprehensive housing finance reform that expands the role of the private sector and reduces taxpayer exposure. HUD will also encourage Public Housing Agencies (PHAs) to seek private, state and local partnerships to leverage opportunities for additional investment and to transition Public Housing properties to more sustainable platforms. Expanding access to affordable housing on a national scale is a complex challenge that can only be achieved by maximizing private investment and empowering state and local governments to help find solutions. We must also pay attention to the opinions of the people we are trying to help.

#### REDESIGNING HUD'S INTERNAL PROCESSES

HUD cannot just change the way it runs its programs. The Department must also better protect taxpayer funds and streamline its internal processes. HUD can maximize the benefits its services provide by modernizing the Department's information technology while integrating technological improvements into daily operations. Improving the efficiency of HUD operations will allow the best use of resources and even better implementation of Department priorities.

## DEVELOPMENT OF THE STRATEGIC PLAN

### STAKEHOLDER ENGAGEMENT

The Department is rethinking our business from the bottom up by engaging HUD's career professionals, the folks who know what works well and what changes we can make to be more responsive to the American people. The FY 2018-2022 Strategic Plan is informed by their views and input received in the development of the Government-wide Reform Plan.<sup>1</sup> HUD has used such recommendations to inform the regulatory reform efforts to be undertaken over the next four years. The Department also received comments from external stakeholders via Switchboard, HUD's online idea generation platform. Prior to the final submission of this plan, the Department briefed Congressional appropriations staff. These engagements were integral to developing balanced and effective strategies for HUD.

### ENTERPRISE RISK MANAGEMENT

New enterprise risk management and internal controls require annual reporting on Departmental risk at strategic, programmatic, and operational levels. In FY 2017, HUD developed its first departmental risk profile and used it to inform the strategic planning process. HUD risk officers, stakeholders, and business owners continue to work together to integrate and align performance, budget, and risk management activities to better inform leadership decisions and the strategic planning process.

### BUILDING THE EVIDENCE BASE

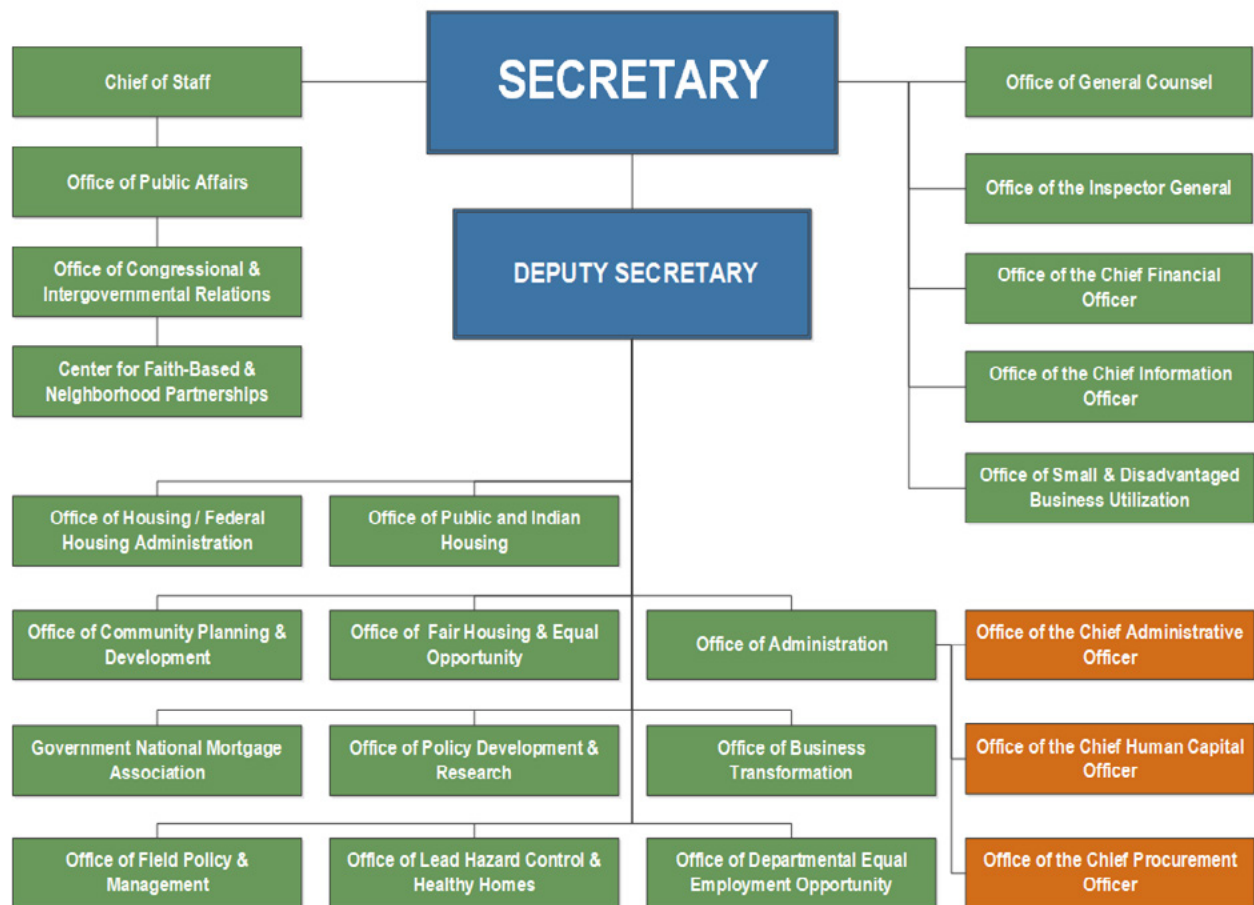
The Department is committed to using evidence-based policymaking to implement cost-effective solutions that support our mission. To guide HUD policy in a changing environment, it is essential that research be strategic, systematic, and well-structured. This document identifies critical policy questions that require further investigation. The Plan also highlights research investments that are needed to ensure strategic objectives, and supporting policy initiatives, are properly informed by evidence. Research in support of each strategic objective is highlighted throughout this strategic plan, the *HUD Research Roadmap FY 2014–FY 2018*, and *HUD Research Roadmap: 2017 Update*. HUD's long-term strategic framework will continue to evolve based on the evidence base provided by Departmental research activities.

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<sup>1</sup> The Federal Government Reform Plan, "Delivering Government Solutions in the 21st Century," is available online at <https://www.performance.gov/GovReform/Reform-and-Reorg-Plan-Final.pdf>.

## DEPARTMENT STRUCTURE

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



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



## HUD'S FY 2018-2022 STRATEGIC FRAMEWORK

### ADVANCE ECONOMIC OPPORTUNITY

Promote economic opportunity by encouraging self-sufficiency and financial stability among HUD-assisted residents.

#### SUPPORT FAIR, SUSTAINABLE HOMEOWNERSHIP AND FINANCIAL VIABILITY

Support homeownership opportunities for creditworthy borrowers, while safeguarding American taxpayers and modernizing our housing finance system.

#### REDUCE HOMELESSNESS

Prevent homelessness whenever possible. Quickly help Americans who become homeless to ensure such experiences are brief and non-recurring.

#### REMOVE LEAD-BASED PAINT HAZARDS AND OTHER HEALTH RISKS FROM HOMES

Protect the health of occupants by addressing lead-based paint and other health and safety hazards in housing.

#### ENHANCE RENTAL ASSISTANCE

Enhance and reform our rental assistance programs by providing sustainable models to empower communities to address local affordable housing needs.

#### REDUCE BARRIERS TO AFFORDABLE HOUSING

Identify and incentivize the reduction of barriers to the development of affordable housing.

#### DEVELOP ENVISION CENTERS

Develop a model that provides communities an EnVision Center network that optimizes services to empower households to be self-sufficient.

#### SUPPORT EFFECTIVENESS AND ACCOUNTABILITY IN LONG-TERM DISASTER RECOVERY

Facilitate housing, infrastructure, and economic recovery while ensuring investments mitigate against future disasters and create resilient communities.

#### PROMOTE SECTION 3

Assess, improve, and promote Section 3 to serve more eligible residents.

#### BOLSTER GROWTH IN OPPORTUNITY ZONES

Optimize current HUD programs, policies and grants to bolster Opportunity Zone investments, where program objectives align.

 These objectives include an FY19-20 Agency Priority Goal.

\* These objectives reflect FY18-22 HUD management objectives.

## PROTECT TAXPAYER FUNDS

Align the policies, processes, and people responsible for financial reporting to protect taxpayer's funds.

## IMPROVE FINANCIAL CONTROLS THROUGH FINANCIAL TRANSFORMATION\*

Streamline and improve our financial management to reduce material audit weaknesses; increase transparency; and ensure strong stewardship of Federal resources.

## STREAMLINE OPERATIONS

Radically simplify rules and streamline programs to better serve our customers.

## ORGANIZE AND DELIVER SERVICES MORE EFFECTIVELY\*

Optimize service delivery and decision-making to better meet customer needs.

## MODERNIZE INFORMATION TECHNOLOGY\*

Strengthen tools and processes to improve IT service to internal and external customers.

## REFORM REGULATIONS\*

Empower our partners and customers by reducing burdensome regulations.

★ These objectives include an FY19-20 Agency Priority Goal.

\* These objectives reflect FY18-22 HUD management objectives.

## FY 2019-2020 AGENCY PRIORITY GOALS

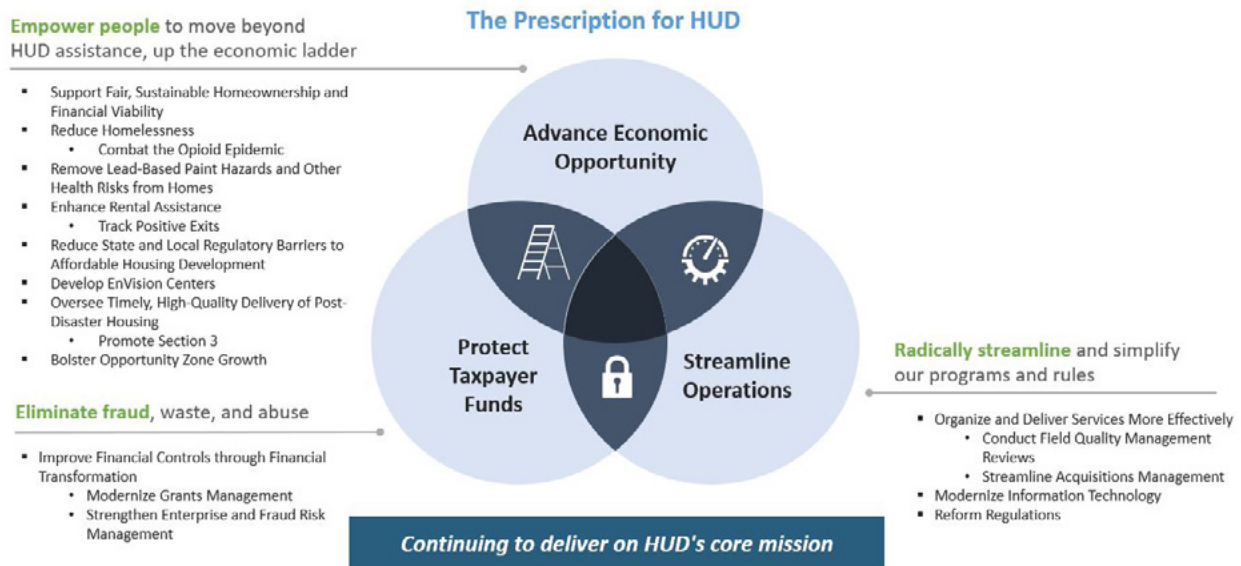
Agency Priority Goals (APGs) reflect the Department's key priorities for the next two years. Through public goal setting, quarterly leadership discussions, and regular public updates, agencies have made significant progress to advance the selected mission outcomes of APGs. For FY 2019-2020, HUD will track progress on these APGs:

- ❖ **Promote economic opportunity for HUD-assisted residents** by encouraging self-sufficiency and financial stability, as measured by increasing the proportion of households who exit HUD-assisted housing for positive reasons.
- ❖ **Transform assisted housing** by transitioning 125,000 Public Housing units to a more sustainable platform from FY18 through the end of FY20.
- ❖ **Reduce the average length of homelessness** in communities by an average of three days from FY18 to the end of FY20.
- ❖ **Protect families from lead-based paint and other health hazards** by making an additional 15,400 at-risk housing units healthy and lead-safe by the end of FY20.

## THE SECRETARY'S PRESCRIPTION FOR HUD

Secretary Carson has coalesced his policy and management agenda into a priority structure called “The Prescription for HUD.” The Prescription for HUD encompasses HUD’s Agency Priority Goals and is comprised of three pillars: I) Advance Economic Opportunity, which empowers people to move beyond HUD assistance up the economic ladder; II) Protect Taxpayer Funds, which focuses on eliminating fraud, waste, and abuse; and III) Streamline Operations, which will radically streamline and simplify our programs and rules.

### HUD'S STRATEGIC PLAN: SECRETARY CARSON'S VISION



**Goal I: Advance Economic Opportunity:** HUD is advancing economic opportunity for low-income families through homeownership, rental assistance, workforce training, educational advancement, and health and wellness programs and services. Policy initiatives include:

1. Support Fair, Sustainable Homeownership and Financial Viability
2. Reduce Homelessness
3. Remove Lead-Based Paint Hazards and Other Health Risks from Homes
4. Enhance Rental Assistance
5. Reduce Barriers to Affordable Housing
6. Develop EnVision Centers
7. Support Effectiveness and Accountability in Long-Term Disaster Recovery
8. Promote Section 3
9. Bolster Growth in Opportunity Zones

**Goal II: Protect Taxpayer Funds:** HUD will improve processes and policies to enable it to meet reporting requirements while complying with laws and regulations related to all financial matters. The Department will develop new, or enhance existing, policies and procedures to provide guidance and alignment within HUD. Efforts will be driven by commitments from senior Departmental leadership; clear, concise operational planning; and focusing on the needs of end-customers. HUD will reduce fraud, waste, and abuse of taxpayers' dollars. Efforts will focus on the objective to:

1. Improve Financial Controls through Financial Transformation.

**Goal III: Streamline Operations:** HUD will examine its programs, customer needs, and employee expertise to streamline its operations. Alignment of program regulations, rules, and management activities will allow the Department's customers to more easily access our services. HUD will better align delegations of authority to prevent gaps and overlaps in responsibility while streamlining coordination. The Department will explore ways to strengthen coordination among program offices in Headquarters and the Field to ensure front-line employees are empowered to respond effectively to customers' needs. Department-wide efforts to simplify HUD's regulations, rules, and improve human capital management will support these efforts while ensuring their long-term sustainability.

HUD will streamline rules and simplify programs to better serve our customers. Efforts will focus on the objectives to:

1. Organize and Deliver Services More Effectively;
2. Modernize Information Technology; and
3. Reform Regulations.

## STRATEGIC GOAL I: ADVANCE ECONOMIC OPPORTUNITY

*Promote economic opportunity by encouraging self-sufficiency and financial stability among HUD-assisted residents.*

### GOAL

The Advance Economic Opportunity Goal is focused on changing the narrative for those living in homes with HUD assistance from reliance to self-sufficiency. HUD recognizes that the solutions of the past are inadequate to meet today's challenges. Across HUD's portfolio, there are numerous opportunities to better support local innovation, give communities the flexibility needed to more quickly implement proven solutions, and invite new philanthropy, businesses, and faith-based partners to be part of those solutions. The policy objectives laid out in this plan aim to right-size HUD's role to better achieve our core mission to assist those in need and to support a path to self-sufficiency.

Every American citizen should have an equal opportunity to achieve success and prosperity through hard work, determination, and initiative. HUD is committed to giving credit-worthy borrowers – many of them prospective first-time homebuyers, including minorities and young families – an opportunity to acquire and build equity in a way that reduces risk to the American taxpayer. For families needing rental assistance, HUD is focused on enhancing our programs to reduce administrative burdens and improve the way we deliver assistance. This includes updating our Public Housing model so it is sustainable in the long-term. These updates will be in accordance with fair housing laws so that families and individuals can acquire housing free from discrimination. HUD will also continue helping the more than 500,000 persons experiencing homelessness rapidly move into housing. Our approach aims to use cost-effective means to make homelessness rare, brief, and a one-time experience for these individuals and families. We are also committed to working with our local partners to identify and tear down regulatory barriers that are stifling the development of affordable homes.

HUD is also doing more to connect Americans in need with resources that will allow them to live safe and financially secure lives. A new approach is required to ensure families are connected to services in their communities that put them on a path to self-sufficiency. By centralizing access to supportive services, HUD can leverage state, local, and non-profit programs to connect rental assistance recipients with the work, education, and health resources they may need. Renters, homeowners, and persons experiencing homelessness in disaster-affected communities will have access to resources that will facilitate housing, infrastructure, and economic recovery. The Department will also continue to ensure homes are safe by mitigating lead-based paint hazards and other housing-related health risks.

### To meet this goal, HUD will pursue the following strategic objectives:

1. Support Fair, Sustainable Homeownership and Financial Viability
2. Reduce Homelessness
3. Remove Lead-Based Paint Hazards and Other Health Risks from Homes
4. Enhance Rental Assistance
5. Reduce Barriers to Affordable Housing
6. Develop EnVision Centers
7. Support Effectiveness and Accountability in Long-Term Disaster Recovery
8. Promote Section 3
9. Bolster Growth in Opportunity Zones

### LEADING THIS GOAL

#### Goal Lead

Ralph Gaines  
*Chief Operations Officer*  
 Department of Housing and  
 Urban Development

## 1. STRATEGIC OBJECTIVE: SUPPORT FAIR, SUSTAINABLE HOMEOWNERSHIP AND FINANCIAL VIABILITY

*Support homeownership opportunities for creditworthy borrowers, while safeguarding American taxpayers and modernizing our housing finance system.*

### OBJECTIVE

HUD will modernize and reform its approach to serving the nation’s housing market. It will foster sustainable homeownership opportunities for creditworthy borrowers, safeguard American taxpayers, and better serve its partners and stakeholders. HUD’s Federal Housing Administration (FHA) will build a stronger capital framework to independently withstand adverse economic conditions as part of this effort.

HUD will improve its financial viability and foster sustainable homeownership opportunities for creditworthy borrowers by improving FHA’s origination and servicing standards. HUD is continuing to monitor risk indicators in its traditional single family “forward” loan portfolio and considering actions to ensure the continued financial stability of that portfolio.

HUD will safeguard the American taxpayers by addressing a catastrophic imbalance of FHA technology and resources. Currently, FHA manages its \$1.3 trillion taxpayer-backed single-family portfolio using paper case files and a mainframe system more than 40 years old. By deploying a modern IT system with risk management capabilities, FHA will reduce unnecessary risk to the taxpayers; improve its ability to effectively serve low- to moderate-income and first-time homebuyers; and reduce burdens on industry partners.

HUD will support the Administration’s efforts to enact broader housing finance reform. Reforms will help build a modern housing finance system that reduces taxpayer risk while providing access to affordable mortgage financing to responsible borrowers who are prepared for homeownership. At the same time, HUD is will seek to increase homeownership opportunities for first-time homebuyers by responsibly making FHA insurance available for condominium projects.

The Department will also continue to support and promote the quality, durability, safety, and affordability of manufactured homes. HUD will further encourage the use of innovative and cost-effective construction techniques for manufactured homes. The Department will continue to work with the Manufactured Housing Consensus Committee (MHCC) to update the Manufactured Housing Construction and Safety Standards and regulations on a regular basis. Doing so will reduce regulatory burden to manufacturers and communities while still maintaining proper oversight.

### STRATEGIES

- ❖ Work with stakeholders and Congress to pursue housing finance reform that ensures more transparency and accountability to taxpayers and minimizes the risk of taxpayer-funded bailouts, while maintaining responsible and sustainable support for homeowners.
- ❖ Improve FHA underwriting guidelines, lending standards, and servicing protocols to serve the needs of borrowers, protect taxpayers, and ensure the sustainability of the program.
- ❖ Modernize FHA’s IT systems to address a catastrophic imbalance of technology and resources.

**LEADING THE OBJECTIVE**

**Objective Lead**

Brian Montgomery  
*Acting Deputy Secretary*  
 Department of Housing and  
 Urban Development

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*Assistant Secretary / Commissioner Federal  
 Housing Administration  
 Office of Housing*

- ❖ Update the Manufactured Housing Construction and Safety Standards and regulations based on recommendations from the MHCC.

## METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Capital Reserve Ratio**<sup>2</sup>  
HUD will maintain a capital ratio that meets or exceeds the statutory minimum requirement.<sup>3</sup>
- ❖ **Early Payment Default Rate**<sup>4</sup>  
This measure is reflective of the credit quality of new endorsements and serves as an important early indicator of mortgage performance.<sup>5</sup>
- ❖ **Percentage of new FHA-insured purchase mortgages that are first-time homebuyers**<sup>6</sup>  
This measure computes the percentage of FHA single-family purchase originations for which the borrower is a first-time homebuyer.
- ❖ **FHA market-share of single-family mortgage originations (purchase, refinance, and total)**<sup>7</sup>  
This measure tracks the FHA share of the mortgage market.<sup>8</sup>
- ❖ **Higher Risk Loans**  
HUD will monitor the percentage of loans with higher risk features. Metrics include the share of FHA-insured home purchase loans with debt to income (DTI) >50% or with down payment assistance (DPA) and the share of FHA refinances that include cashouts.
- ❖ **Alternative Construction Letters**  
HUD will monitor the number of Alternative Construction letters issued by the Office of Manufactured Housing Programs.<sup>9</sup>

## EVIDENCE

HUD's Office of Policy Development and Research (PD&R) produces quarterly reports on U.S. Housing Market Conditions and the monthly National Housing Scorecard to document the status of housing markets.<sup>10</sup> As the Department pushes for housing finance reform, there are several PD&R staff publications available that have assessed FHA's role in a balanced housing market,<sup>11</sup> including its role in offsetting the pro-cyclical policies of the private-label securities market that contributed to a homeownership crisis.<sup>12</sup> Each year, the

2 <https://www.hud.gov/sites/dfiles/Housing/documents/2018fhaannualreportMMIFund.pdf>.

3 This measure compares the "economic net worth" of the Mutual Mortgage Insurance (MMI) Fund to the dollar balance of active, insured loans at a point in time. The two percent target is the statutory requirement for the fund.

4 <https://www.hud.gov/sites/dfiles/Housing/documents/2018fhaannualreportMMIFund.pdf> at 107.

5 HUD will support sustainable loans that borrowers can afford. Early Payment Defaults (EPDs) occur when a borrower becomes 90 days delinquent on their FHA-insured mortgage within the first six payments.

6 <https://www.hud.gov/sites/dfiles/Housing/documents/2018fhaannualreportMMIFund.pdf> at 97.

7 Id. at 95.

8 HUD monitors FHA's role in the housing market and the potential crowding out of private capital. HUD does not maintain any market share goals, and only tracks these data points for informational purposes.

9 Data shows the number of letters which are in effect in each fiscal year. It is not limited to new letters. A manufacturer submits a request for Alternative Construction to HUD when the construction would be prohibited by the existing Federal Manufactured Home Construction and Safety Standards. HUD issues Alternative Construction (AC) letters to manufacturers to allow such alternative construction when it is equivalent to or superior to that required by the Standards. A reduction in the number of active alternative construction letters is indicative of a reduced regulatory burden on the manufactured housing industry.

10 <https://www.huduser.gov/portal/ushmc/home.html>.

11 "FHA at 80: Preparing for the Future" (2014), <https://www.huduser.gov/portal/publications/fha/fhaat80.html>; "Working Paper: Temporary Loan Limits as a Natural Experiment in FHA Insurance," <https://www.huduser.gov/portal/publications/hsgfin/temporary-loan-limits.html>.

12 "The FHA Single-Family Insurance Program: Performing a Needed Role in the Housing Finance Market" (2012), [https://www.huduser.gov/portal/publications/hsgfin/fha\\_singlefamily\\_dec2012.html](https://www.huduser.gov/portal/publications/hsgfin/fha_singlefamily_dec2012.html).



Department also prepares the [Annual Report to Congress Regarding the Financial Status of the Mutual Mortgage Insurance Fund](#), which provides important insights for Congress and the American taxpayer into the financial performance of FHA.

The financial viability of the FHA mortgage insurance funds is also documented annually in HUD's Agency Financial Report.<sup>13</sup> Recent studies have assessed the role of down payments to reduce mortgage risk, as well as other macroeconomic factors, which can further inform policy to safeguard American taxpayers. PD&R will continue to build evidence of effective approaches to fostering homeownership through original research and more extensive collaboration with outside partners. Research on housing finance, securitization, and risk assessment from partners such as Ginnie Mae and FHA will be critical to bolstering HUD's future evidence base.

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<sup>13</sup> [https://www.hud.gov/program\\_offices/cfo/reports/cforept](https://www.hud.gov/program_offices/cfo/reports/cforept).

## 2. STRATEGIC OBJECTIVE: REDUCE HOMELESSNESS

*Prevent homelessness whenever possible. Quickly help Americans who become homeless to ensure such experiences are brief and non-recurring.*

### ★ Agency Priority Goal for FY 2019-20: Reduce the average length of homelessness in communities by an average of three days from FY18 to the end of FY20 ★

#### OBJECTIVE

Today's housing affordability crisis creates additional headwinds for families experiencing homelessness who are trying to get back on their feet. This is especially true in rural communities and some West Coast communities that are losing ground. Our solutions must become more tailored to the geographic, economic, and service needs of families and individuals, to meet the goal of making progress towards an end to homelessness.

#### LEADING THE OBJECTIVE

##### Objective Lead

David C. Woll, Jr.  
Principal Deputy Assistant Secretary  
Office of Community Planning  
and Development

The proof exists that we can end homelessness. To date, more than 64 communities and three states have declared an effective end to veterans' homelessness, and three communities have ended chronic homelessness. Over the next five years, HUD will work with its partners to deploy the solutions that we know are effective, such as rapid re-housing and permanent supportive housing. These tools may 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. One of the barriers to access to housing for some homeless individuals is their substance abuse histories. HUD will support its objective to reduce homelessness by fighting substance abuse, which includes combatting the opioid crisis. HUD will also focus on "Move-On" housing.<sup>14</sup> That is, HUD will encourage communities to explore moving households with less intensive service needs to other subsidized housing programs, freeing up units and service resources for persons with higher needs. HUD's success in reducing homelessness is contingent upon effectively using and targeting resources.

#### STRATEGIES

- ❖ **Create an unsheltered homelessness strategy** that targets technical assistance and other resources to communities that have had large increases in unsheltered homelessness.
- ❖ **Implement cost-effective strategies across Continuums of Care (CoCs) and other HUD-assisted housing resources that target resources** to those with the highest need.
- ❖ **Build capacity in rural communities** to coordinate services and increase access for persons experiencing homelessness.
- ❖ **Target HUD-Department of Veterans Affairs (VA) Supportive Housing (HUD-VASH)** to the most vulnerable veterans experiencing homelessness.
- ❖ **Engage with stakeholders to support collaboration to combat** substance abuse and **the opioid crisis.**

#### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

<sup>14</sup> For an example of Move-On housing, see: <https://www.csh.org/wp-content/uploads/2016/07/Moving-On-Chapter-6-Final.pdf>.

✦ **Length of homelessness**

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

❖ **Number of people experiencing homelessness**

This measure will annually track the number of people experiencing homelessness in the Point-in-Time (PIT) count, a count taken on a single night in January each year.<sup>15</sup>

❖ **Number of people experiencing unsheltered homelessness**

This measure will annually track the number of people experiencing unsheltered homelessness in the PIT count, a count taken on a single night in January each year.<sup>16</sup>

❖ **Returns to homelessness**

This measure will track the national average percentage of people returning to homelessness within 6 months in CoCs.

❖ **Continuum of Care metrics for substance abuse**

Ensure at least 25 percent of individuals supported through Continuums of Care are people with substance use disorders.

❖ **Percentage of units of permanent supportive housing serving people experiencing chronic homelessness**

This measure will track the proportion of permanent supportive housing units serving people experiencing chronic homelessness.

❖ **Percentage of exits from CoC-funded permanent supportive housing to rental assistance with other subsidies**

This measure will track exits from CoC-funded proportion of permanent supportive housing to less service-intensive housing subsidies.

❖ **Percentage of admissions to mainstream housing programs who were homeless at admission**

This measure will track the proportion of households admitted into mainstream rental assistance (Housing Choice Vouchers, Public Housing, Multifamily Housing) who were experiencing homelessness at point of entry in programs.

❖ **HMIS bed coverage rates in rural CoCs**

This measure will track the percentage of available beds in rural CoCs for which coverage data are being reported into the Homeless Management Information System (HMIS), as a proxy for these communities' level of capacity and coordination with other homeless services providers.

❖ **HUD-VASH Utilization**

This measure will track the number of HUD-VASH vouchers currently leased as a proportion of all allocated and active HUD-VASH vouchers.

## EVIDENCE

PD&R has taken the lead on conducting evaluations of HUD's homeless assistance programs. The landmark Family Options study found that clients who received priority access to deep housing subsidies experienced major decreases in returns to homelessness and family well-being relative to those offered usual care in shelters, and documented major cost savings of rapid rehousing and permanent housing relative to shelter and transitional options on a per-month basis.<sup>17</sup> Several evaluations have studied interventions targeted to

<sup>15</sup> PIT count dates may occur at such other times as required by HUD.

<sup>16</sup> PIT count dates may occur at such other times as required by HUD.

<sup>17</sup> "Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families" (2016),

veterans, contributing to the substantial progress made to end veteran homelessness. These studies have made the case for critical interagency partnerships and show that HUD, VA, and Department of Labor (DOL) can serve veterans at-risk of and experiencing homelessness by working together to combine housing, case management, and employment services.<sup>18</sup>

HUD has also partnered with the Department of Justice on the Pay for Success (PFS) Permanent Supportive Housing (PSH) Demonstration to evaluate the viability of using a PFS financing framework to improve outcomes for people experiencing homelessness with frequent contact with the criminal justice, homeless services, and health care systems through the provision of PSH. PFS strategies are typically public-private arrangements that enable a government to test or expand innovative programs while paying for only those that achieve agreed-upon results. In partnership with the Assistant Secretary for Planning and Evaluation at HHS, HUD has launched a research effort to explore the rise in unsheltered homelessness and encampments, and understand the costs associated with the growing problem and the interventions being deployed. Many current projects are designed to build on available research to understand how program models can meet the needs of key target populations, and how they have evolved from demonstration projects to components of the HUD homeless assistance system nationally: Understanding Rapid Re-housing, Evaluation of Homeless Youth Demonstration, and Housing Outcomes, Tenant Satisfaction, and Community Integration in Single-site and Scattered-site Housing First Models.

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<https://www.huduser.gov/portal/publications/Family-Options-Study.html>.

18 Veterans Homelessness Prevention Demonstration, <https://www.huduser.gov/portal/sites/default/files/pdf/veterans-homelessness-prevention-report.pdf> and HUD-VASH Exit Study, <https://www.huduser.gov/portal/sites/default/files/pdf/HUD-VASH-Exit-Study.pdf>.

### 3. STRATEGIC OBJECTIVE: REMOVE LEAD-BASED PAINT HAZARDS AND OTHER HEALTH RISKS FROM HOMES

*Protect the health of occupants by addressing lead-based paint and other health and safety hazards in housing.*

**★ Agency Priority Goal for FY19-20: Protect families from lead-based paint and other health hazards by making an additional 15,400 at-risk housing units healthy and lead-safe by the end of FY20. ★**

#### OBJECTIVE

HUD's goal is to address lead-based paint and other health and safety hazards in housing for families and children. Through its programs, HUD has made nearly 400,000 homes lead-safe, contributing to a significant decline in blood-lead levels among US children in the past decade. Young children are especially at risk for the harmful effects of lead, to which even low-level exposure can increase the likelihood of behavioral problems, learning disabilities, seizures and in extreme cases, death.

LEADING THE OBJECTIVE
<p><b>Objective Lead</b></p> <p>Matt Ammon <i>Director</i> Office of Lead Hazard Control and Healthy Homes</p>

HUD's comprehensive strategy to remove lead-based paint hazards includes leveraging public-private partnerships to maximize the impact of lead-safe and healthy housing investments and increasing available funding for local jurisdictions to build program capacity to identify and address lead-based paint hazards. To prevent lead poisoning in HUD-assisted households, HUD will also: ensure compliance with lead safety rules through improved enforcement mechanisms; increase community awareness of lead and other health and safety hazards through outreach events; and increase participation in HUD and stakeholder services.

#### STRATEGIES

- ❖ Increase community awareness of lead and other health and safety hazards in homes to increase participation in HUD and stakeholder programs and services.
- ❖ Align and enforce HUD-assisted housing inspections and mitigation measures to consistently address housing-related health and safety hazards across HUD-assisted housing programs.
- ❖ Design and deliver targeted lead and healthy homes programs through improvements in data quality and access.
- ❖ Leverage HUD's relationships with stakeholders across public and private sectors to maximize the impact of every dollar invested in lead, health, and safety activities.
- ❖ Advance the research agenda on the effects, evaluations and control of lead and other health and safety hazards in housing and the impacts on resident health.

#### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Number of at-risk HUD housing units made healthy, physically safe and lead-safe each year**  
The number of housing units made healthy and lead-safe through HUD's Lead Hazard Control Grants, Healthy Homes Grants, and Lead Disclosure Rule Enforcement.
- ❖ **Prevalence of children with elevated blood levels in high-risk communities and regions**  
This measure will track the prevalence (number or percentage TBD) of children from birth to age 5 exposed to lead in targeted, high-risk communities (i.e., communities where lead hazard control grant work is being conducted), and the overall reduction over time.

## EVIDENCE

Analysis by HUD and the Centers for Disease Control and Prevention (CDC) of HUD tenant data linked with CDC health survey data shows that children ages 0–5 who lived in HUD-assisted housing in 2005–2012 had lower lead blood levels than expected given their demographic, socioeconomic, and family characteristics,<sup>19</sup> suggesting that HUD implementation of its lead hazard control regulations is effective in reducing exposure among children. However, there is no safe level of blood lead and the prevalence of elevated blood lead persists at significant levels. A current joint PD&R and OLHCHH in-house research effort using HUD's American Housing Survey and Census' American Community Survey data shows it is possible to identify neighborhoods (census tracts) with elevated risk for dust lead exposure, which is associated with elevated blood lead levels, especially among children from birth to age 5.<sup>20</sup> Such analysis has potential to improve targeting of HUD's lead hazards grants and funded mitigation activities.

The FY 2019 HUD Appropriations Act set aside funding for seven 5-year, approximately \$9 million grants, to small neighborhoods (no more than four contiguous Census tracts) with high lead hazard control needs for families with children. These grants are intended to demonstrate whether a concentrated lead hazard control effort can have a beneficial effect substantially beyond that of the traditional lead hazard control grants. Traditional lead hazard control grants are up to \$3.5 million for three years of lead hazard control activities in target areas that jurisdictions have always used their discretion to define to be larger. Along with providing intensive monitoring and technical assistance to the grantees of this Lead-Based Paint Hazard Reduction in High Impact Neighborhoods Grant Program, HUD will be evaluating the performance of this program as they start up in FY 2020, ramp up production in FY 2021, and produce lead-safe housing units at full speed in 2022–24. HUD recognizes that within whatever program funding level is appropriated for a program, a higher average award per grant means fewer grants nationally for that program.

The cost from asthma triggered by residential dampness and mold is approximately \$3.5 billion annually.<sup>21</sup> Reducing household allergens, which contribute to or trigger asthma and allergies, results in a return of \$5.30–16.50 for every \$1 invested in mitigation and prevention.<sup>22</sup>

Extensive studies have been conducted on the growing problem of senior falls (e.g., highlighting that falls are the leading cause of non-fatal injuries for those 65 years of age or older, with 2.4 million seniors having an initial emergency department visit for injuries from a fall annually<sup>23</sup>). The 2017 OLHCHH report on Overcoming Obstacles to Policies for Preventing Falls by the Elderly,<sup>24</sup> with its accompanying toolkit,<sup>25</sup> recommends a range of ways for HUD and other government and philanthropic entities to help communities implement coordinated care policies and programs.

HUD has direct roles in housing safety and health through administration of public and assisted housing programs, provision of Lead Hazard Control grants and demonstration grants, housing rehabilitation grants,

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

20 Lanphear BP, Matte TD, Rogers J, et al. The Contribution of Lead-Contaminated House Dust and Residential Soil to Children's Blood Lead Levels: A Pooled Analysis of 12 Epidemiologic Studies. *Environmental Research* 79(1):51–68, October 1998. <https://doi.org/10.1006/enrs.1998.3859>.

21 Mudarri D and Fisk WJ. Public health and economic impact of dampness and mold. *Indoor Air*. 17(3):226–35. 2007. <http://onlinelibrary.wiley.com/doi/10.1111/j.1600-0668.2007.00474.x/full>.

22 Nurmagambetov TA et al. Economic Value of Home-Based, Multi-Trigger, Multicomponent Interventions with an Environmental Focus for Reducing Asthma Morbidity: A Community Guide Systematic Review. *American Journal of Preventive Medicine*. 41(2S1):S33–S47. 2011. [www.thecommunityguide.org/asthma/supportingmaterials/Asthma%20Econ.pdf](http://www.thecommunityguide.org/asthma/supportingmaterials/Asthma%20Econ.pdf) or [www.ajpmonline.org/article/S0749-3797\(11\)00314-X/fulltext](http://www.ajpmonline.org/article/S0749-3797(11)00314-X/fulltext).

23 CDC National Center for Injury Prevention and Control. Web-based Injury Statistics Query and Reporting System (WISQARS). Accessed August 15, 2013. [www.cdc.gov/injury/wisqars/](http://www.cdc.gov/injury/wisqars/).

24 Healthy Housing Solutions. Overcoming Obstacles to Policies for Preventing Falls by the Elderly – Final Report. February 2017. [www.hud.gov/sites/documents/OvercomingObstaclesFalls.pdf](http://www.hud.gov/sites/documents/OvercomingObstaclesFalls.pdf).

25 Healthy Housing Solutions. Overcoming Obstacles to Effective Senior Falls Prevention and Coordinated Care – A Toolkit for Program Success. March 2017. [https://www.hud.gov/sites/documents/Seniorfalls\\_Toolkit.pdf](https://www.hud.gov/sites/documents/Seniorfalls_Toolkit.pdf).

and disaster recovery funds, and regulation of HUD-code manufactured housing. Inspections of public and assisted housing by REAC include identification of exigent health and safety deficiencies;<sup>26</sup> management of assistance to inspected housing to ensure the deficiencies are addressed is conducted by the respective program offices. Follow-up testing of homes that received lead hazard control interventions after one year, three years,<sup>27</sup> and six years<sup>28</sup> demonstrated significant reductions in concentrations of dust-lead after intervention. A 2015 survey of the practices and capabilities for achieving dust-lead clearance showed the feasibility of further strengthening the current dust-lead risk assessment and clearance standards.<sup>29</sup> Other research has quantified the extent of lead hazards in homes<sup>30</sup> and improved technical methods of addressing those hazards.<sup>31</sup> These grants and partnerships fund research to improve the efficacy and cost-effectiveness of methods for evaluation and control of residential lead-based paint and other housing-related health and safety hazards and site contamination hazards. HUD will use the findings from these studies to help improve and refine its approach towards achieving these goals.

26 Real Estate Assessment Center. "Physical Assessment Subsystem" (2011 slide presentation), <http://portal.hud.gov/hudportal/documents/hud-doc?id=pass02182011.pdf>.

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

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

29 Cox, David and Gary Dewalt. 2015. Lead Hazard Control Clearance Survey: Final Report. HUD, Office of Lead Hazard Control and Healthy Homes. [https://www.hud.gov/sites/documents/ClearanceSurvey\\_24Oct15.pdf](https://www.hud.gov/sites/documents/ClearanceSurvey_24Oct15.pdf).

30 Dewalt F. Gary, David Cox, Robert O'Haver, et al. Prevalence of Lead Hazards and Soil Arsenic in U.S. Housing. Journal of Environmental Health. 78(5):22-29, December 2015. <https://www.neha.org/node/6429.rr>

31 See [https://www.hud.gov/program\\_offices/healthy\\_homes/researchers](https://www.hud.gov/program_offices/healthy_homes/researchers).

#### 4. STRATEGIC OBJECTIVE: ENHANCE RENTAL ASSISTANCE

*Enhance and reform our rental assistance programs by providing sustainable models to empower communities to address local affordable housing needs.*

★ **Agency Priority Goal for FY19-20: Transform assisted housing by transitioning 125,000 Public Housing units to a more sustainable platform from FY18 through the end of FY20.** ★

★ **Agency Priority Goal for FY19-20: Promote economic opportunity for HUD-assisted residents by encouraging self-sufficiency and financial stability, as measured by increasing the proportion of households who exit HUD-assisted housing for positive reasons.** ★

##### OBJECTIVE

HUD is developing and implementing a comprehensive strategy for addressing the current and future needs of the Public Housing program that is more responsive to local communities, proposing reforms to the current rent calculation and incentive system, and aligning and streamlining administration of rental assistance programs to better serve HUD residents and stakeholders. Rental housing program reforms are necessary to provide sustainable and reliable assistance to America's low-income families.

##### LEADING THE OBJECTIVE

###### Objective Lead

Hunter Kurtz  
Principal Deputy Assistant Secretary  
Office of Public and Indian Housing

The Public Housing program provides affordable housing to over one million families nationwide yet is hampered by an ever-growing capital needs backlog and overly burdensome program requirements. Increasing program flexibility will allow Public Housing Agencies (PHA) to efficiently operate housing, minimize costs, and provide access to critical financial resources to reposition their portfolios. Through a comprehensive strategy for addressing the current and future needs of the Public Housing program, HUD has begun to implement reforms to create opportunities to leverage private capital to rehabilitate or rebuild these properties and move units to a sustainable financial platform.

HUD is committed to working continually with our local partners to identify and reduce regulatory and administrative barriers that impede the efficient development and maintenance of affordable homes. The current, burdensome system of determining tenant rents based on complicated income calculations often results in inaccurate income reporting and stifles increased earning potential for HUD-assisted tenants.<sup>32</sup> HUD will continue to collaborate with stakeholders to ensure reforms to rental assistance programs benefit communities while encouraging sustainability for the future. Efforts will focus on promoting work, simplifying program administration, reducing Federal costs, and increasing local choice.

Because self-sufficiency is the ultimate goal, HUD wants to see tenants leaving its programs because they have increased their income to the extent where they no longer need a subsidy to obtain safe, decent housing, or for a similar, positive reason. By analyzing the reasons for and results of exits, HUD can better allocate resources. Determining the effectiveness of our programs and replicating best practices can help tenants achieve financial independence.

##### STRATEGIES

❖ **Provide technical assistance and training** to PHAs on new tools to reposition their local Public Housing program.

<sup>32</sup> HUD proposed to reform rental assistance to address these issues with the Making Affordable Housing Work Act (MAHWA), submitted to Congress in April 2018. The Act is available online at: <https://www.hud.gov/sites/dfiles/Main/documents/RentReformLegislativeText.pdf>.



- ❖ **Publish additional notices that respond to PHA needs** to reposition Public Housing units.
- ❖ **Engage with residents, PHA management, and industry thought leaders** on different rental housing program structures and rent calculations. This engagement will occur through public comment, listening sessions, and other meetings across the country.
- ❖ **Improve long term affordable housing options** by encouraging PHAs to transition Public Housing units with significant unmet capital needs to a more sustainable financial platform.
- ❖ **Develop a legislative proposal that modifies the rental calculation system** to encourage work and stable family formation, simplify administration, improve fiscal sustainability, and increase local control and choice.
- ❖ **Use current demonstrations**, including the Rent Reform Demonstration and the Family Self-Sufficiency Demonstration, **to examine exit outcomes and inform strategies for improving administrative collection of exit data.**

## METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ⊕ **Number of Public Housing units transitioned to a sustainable platform**  
This measure will track the number of Public Housing units transitioned through the Rental Assistance Demonstration (RAD), Voluntary and Required Conversions, Section 18 Demolitions and Dispositions, and Declaration of Trust release.
- ❖ **Public Housing occupancy rate**  
This measure will track the percentage of Public Housing units that are occupied so that HUD can ensure optimal occupancy rates for units remaining in the Public Housing program.
- ❖ **Housing Choice Voucher Budget Utilization**  
This metric is measured using the calendar year-to-date Housing Assistance Payment (HAP) spending as a percentage of budget authority. Specific budget utilization, voucher utilization, and limited HAP reserve targets optimize the number of households that a PHA can serve given its budget and reserves.
- ❖ **Number of families served through HUD rental assistance**  
This will track the number of rental units occupied by HUD-assisted households.
- ❖ **Percentage of work-able households exiting assisted housing with low rental subsidy needs**  
This measure tracks the percentage of households that leave the Housing Choice Voucher program with their income-based rental subsidies at or near zero. Such low subsidies imply that household incomes have increased to the extent that market-based housing is within reach. This measure will serve as a proxy for positive exits as HUD secures the new data on all Section 8, Public Housing, and Multifamily programs. For this measure, “work-able household” is defined to mean a household containing at least one non-elderly, non-disabled adult member.<sup>33</sup>

## EVIDENCE

PD&R has produced an extensive body of evidence on the scope of housing needs among renters nationally, the ways in which current HUD programs meet those needs, and the ways in which those programs could be enhanced to meet these needs in the future. PD&R supplements its surveys of national and regional market activity with biennial reports to Congress about households with “worst-case housing needs.” “Worst-case housing needs” increased during 2013–2015 to affect 8.3 million very low-income renter households. Worst-

<sup>33</sup> Elderly is defined as 65 or older; disabled uses the same definition as program certification rules.

case needs and severe cost burdens are a growing problem in light of a shrinking proportion of affordable and available units relative to need.<sup>34</sup>

These measures inform HUD's efforts to track and target existing rental assistance, study alternative rental arrangements, and monitor efforts to preserve existing Public Housing units through innovative funding relationships. Recent research addresses a critical performance issue of successful lease-up and opportunity potential of the Housing Choice Voucher program. Research suggests that landlords are deterred from accepting vouchers by issues including financial motivation, perception of tenants, and bureaucratic factors.<sup>35</sup> A new study of landlord acceptance of vouchers used paired testing methods in five metropolitan areas to show that landlord refusal to accept Housing Choice Vouchers is a significant problem for the voucher program, and led HUD to establish a taskforce to improve understanding of landlord concerns and improve the voucher program.<sup>36</sup>

Following the completion of preliminary reports, PD&R is currently producing follow-up outcomes analyses for two landmark studies: The Rent Reform Demonstration and the Rental Assistance Demonstration. HUD's Rent Reform Demonstration is designed to test an alternative to the current HUD-assisted rent structure to assess its effect on the employment, earnings, and hardship of the residents that rely on housing vouchers. The Rental Assistance Demonstration is designed to provide PHAs with new options for preserving Public Housing units through conversion to the more financially sustainable project-based Section 8 assisted housing platform.

An evaluation of PHAs currently operating the Moving to Work (MTW) program is underway, while PD&R is also developing an evaluation of the MTW expansion. This expansion will grant 100 PHAs the flexibility to restructure some programs, reallocate resources, and implement innovative programs. HUD plans to roll out the expansion in cohorts to allow for more rigorous analysis of various elements of the MTW program. PD&R's initial evaluation cohort will test how small PHAs used their flexibility to better meet community needs, and the second cohort of PHAs will test the efficacy of various rent reform proposals. PD&R, in consultation with external experts and stakeholders, has identified numerous opportunities to expand HUD's understanding of how to enhance rental assistance programs.

34 "Worst Case Housing Needs: 2017 Report to Congress" (2017), <https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs.html>.

35 "Urban Landlords and the Housing Choice Voucher Program: A Research Report" (2018), <https://www.huduser.gov/portal/publications/UrbanLandlords.html>.

36 "Pilot Study of Landlord Acceptance of Housing Choice Vouchers" (2018), <https://www.huduser.gov/portal/pilot-study-landlord-acceptance-hcv.html>.

## 5. STRATEGIC OBJECTIVE: REDUCE BARRIERS TO AFFORDABLE HOUSING

*Identify and incentivize the reduction of barriers to the development of affordable housing.*

### OBJECTIVE

HUD will engage Federal, state, Tribal, and local partners to identify and reduce barriers to affordable housing. Efforts will involve implementing the America’s Affordable Communities Initiative (AACI) to increase the supply of affordable housing at all levels.

HUD has established an internal working group, composed of key program offices, to review how the Department can incentivize the reduction of barriers to affordable housing development. Senior HUD officials will engage leaders representing the Department’s diverse stakeholders to discuss and promote successful practices for reducing regulatory burdens. Engagements will focus practices which have increased the supply of available affordable housing or decreased housing development costs.

HUD will further engage stakeholders and identify strategies that they have already provided, which HUD can leverage to advance this goal. HUD will review public comments responding to Executive Order 13777 (“Enforcing the Regulatory Reform Agenda”) and the advance notice of proposed rulemaking, inviting comments on amendments to affirmatively furthering fair housing (AFFH) regulations.<sup>37</sup> Once this is done, HUD will publish a Federal Register Notice soliciting comments (and subsequently review said comments) on suggested best practices and strategies to reduce regulatory burdens to affordable housing development. HUD will also update the Regulatory Barriers Clearinghouse to ensure ease of access and broader utilization.<sup>38</sup>

Finally, as initially proposed in the FY19 President’s Budget Congressional Justifications, HUD will launch the AACI. The primary purpose of AACI is to identify and educate the public on the most effective strategies to reduce State and local government regulatory barriers, thus supporting the creation of more affordable housing for American families. The Executive Order establishing the White House Opportunity and Revitalization Council, with Secretary Carson as the lead, will provide additional support for this effort.

**LEADING THE OBJECTIVE**

**Objective Lead**

Seth Appleton  
*General Deputy Assistant Secretary*  
 Office of Congressional and  
 Intergovernmental Relations

### STRATEGIES

- ❖ **Develop a Plan** to identify barriers to affordable housing
- ❖ **Increase Public Awareness** about effective strategies to reduce governmental regulatory barriers
- ❖ **Engage the Public** on Reducing State and Local Barriers to Affordable Housing and Urban Development

### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **AACI Adoption**  
 This measure will track the number of Mayors and County Executives that have signed on to the America’s Affordable Communities Initiative (AACI).
- ❖ **Number of jurisdictions that have adopted a plan to consolidate the permitting process**  
 This measure will track the number of jurisdictions that lack sufficient housing and have streamlined their process to issue permits for any type of housing.

<sup>37</sup> HUD will identify received comments that relate to reducing regulatory barriers to affordable housing development.

<sup>38</sup> The Regulatory Barriers Clearinghouse is accessible through HUDUser.gov at: <https://www.huduser.gov/portal/rbc/home.html>.

## EVIDENCE

Research from Australia suggests that local zoning restrictions have contributed to the significant rise in housing prices in the largest cities.<sup>39</sup> HUD's Regulatory Barriers Clearinghouse (RBC)<sup>40</sup> collects and disseminates information on state and local regulations and policies affecting the creation and maintenance of affordable housing across the country. The RBC Database contains summaries of judicial decisions, ordinances, research papers, state and local government reports, and websites that offer insight on regulatory barriers and strategies being implemented in communities across the nation to promote the development and preservation of affordable housing. PD&R's Spring 2018 issue of Evidence Matters more closely examined some of the policies and practices that state and local governments are implementing to address the many regulatory barriers to affordable housing.<sup>41</sup>

Researchers have called on HUD to invest in the collection of both quantitative and qualitative data on regulatory practices throughout the nation, the reasons for establishing barriers, and the effects of local housing shortages on local and regional economic competitiveness,<sup>42</sup> further supporting our increased efforts in the area.

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39 [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3149272](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3149272).

40 <https://www.huduser.gov/portal/rbc/home.html>.

41 <https://www.huduser.gov/portal/periodicals/em/spring18/index.html>.

42 <https://www.huduser.gov/periodicals/cityscpe/vol8num1/cityscapev8num1.pdf#page=11>.

## 6. STRATEGIC OBJECTIVE: DEVELOP ENVISION CENTERS

*Develop a model that provides communities an EnVision Center network that optimizes services to empower households to be self-sufficient.*

### OBJECTIVE

HUD has achieved results through coordinated efforts with local and national partners, particularly through cross-program and interagency collaboration that focuses on place-based outcomes, such as Jobs Plus and ConnectHome. The Department has expanded upon this by launching the EnVision Centers Initiative, a program that co-locates supportive services within or near HUD-assisted housing to support residents and low-income households in achieving self-sufficiency. EnVision Centers are intended to enhance existing resources by fostering collaboration between local, state, and Federal partners that have existing programs. These centralized hubs are designed to serve as an incubator for four key pillars of self-sufficiency: character and leadership; educational advancement; economic empowerment; and health and wellness.

EnVision Centers will leverage public and private resources, across federal agencies, state and local governments, non-profits, faith-based organizations, corporations, public housing authorities, and housing finance agencies, for maximum community impact. HUD plans to implement the EnVision Center concept at select locations through its anchor and Federal partners. HUD will provide technical assistance and conduct research to evaluate the effectiveness of this new approach to collaboration that drives self-sufficient outcomes to HUD-assisted communities most in need.

**LEADING THE OBJECTIVE**

**Objective Lead**

Christopher Bourne  
*Deputy Assistant Secretary for Innovation*  
 Office of Policy Development and Research

### STRATEGIES

- ❖ **Assess and strengthen the Envision Center Model** to ensure program feasibility, ease of use, and understanding.
- ❖ **Leverage partnerships with other Federal and local agencies, non-profits, and private businesses** to increase participation by HUD-assisted households.

### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Increase the number of physical EnVision Centers.**  
This metric will track the number of Envision Centers in operation.
- ❖ **First time acceptance rate of EnVision Center applications.**  
Percent of accepted applications that did not require HUD to request additional information from applicants.
- ❖ **Envision Center application preparation time.**  
Median time (in hours) required for applicant to prepare and submit required documents.
- ❖ **Time to certify.**  
Median time (in days) required for HUD to certify an EnVision Center application (from receipt of application to the date HUD sends a certification letter to the applicant).

## EVIDENCE BUILDING

Stable, affordable housing, which can be obtained through use of housing assistance, can be a platform for securing employment, but for many individuals eligible for housing assistance, housing alone is likely to be insufficient for achieving economic independence. Economic theory and evidence suggest that means-tested housing assistance creates modest work disincentives. One study points to “a large positive effect” of housing assistance on the future earnings of teenage females, although the effects were not the same for males.<sup>43</sup>

Because many people need more than just housing to be well-situated to increase earnings or find employment, housing providers often need to collaborate with other entities that provide a range of additional services. This increased coordination of services and resources that can support residents’ efforts to work was an important feature of the original Jobs Plus demonstration. A rigorous evaluation of the original Jobs Plus Demonstration in six sites found positive impact on earnings in the three sites that fully implemented the program, but the three weaker sites demonstrated no measurable gains relative to control sites.<sup>44</sup> PD&R recently kicked off the Jobs Plus Initiative Outcomes Evaluation to: 1) assess the effectiveness of the program in 24 HUD replication sites that started the program in 2015; 2) examine the implications of the earned income disregard on work and income-reporting behavior; and 3) assess the long-term effectiveness of the original Jobs Plus model by matching participants to other available administrative data. PD&R’s summer/fall 2018 issue of Evidence Matters further explores and highlights examples of innovative programs to integrate workforce and housing services.<sup>45</sup>

HUD’s other primary program to remove work disincentives and improve self-sufficiency among assisted tenants is Family Self-Sufficiency (FSS). In FSS, participants work with case managers to set goals, access services, and accumulate their incremental rent increases; that result from increased earned income as a credit to escrow accounts rather than paying higher rents. Over 74,000 households actively participate in the program. Of the 5,422 families that have graduated from the program, all no longer require Temporary Assistance for Needy Families (TANF), and 47 percent have escrow savings at graduation, at an average of \$7,700. In addition, 29 percent of program graduates exited rental assistance within one year of leaving the FSS program 624 FSS program, and 12 percent of graduates went on to purchase a home. PD&R continues to undertake a longitudinal, randomized controlled study of the FSS Program. Further, HUD has commissioned a national impact evaluation of FSS, with a final report due in 2022.

Recognizing that financial assistance alone is insufficient for many to realize long-term economic independence, the EnVision Centers serve as a centralized hub to connect people to supports in four main areas: economic empowerment, educational advancement, health and wellness, and character and leadership. The centers will bring in a range of public, private, and nonprofit partners, including PHAs, to efficiently and effectively coordinate needed services and supports. In February 2018, the Urban Institute released a brief that included nine specific recommendations for EnVision Centers based on research on past programs, including setting realistic expectations and timelines for building assets, using a trauma-informed approach for mental health care, and using two-generation strategies, among others.<sup>46</sup>

PD&R’s Research Roadmap: 2017 Update includes several proposed studies relating to self-sufficiency. In addition to the Roadmap proposals, HUD is considering a demonstration and evaluation of an innovative collaborative model for achieving improved self-sufficiency and other outcomes in disadvantaged neighborhoods. Such research, subject to the availability of evaluation resources, will be critical to expansion and success of the EnVision Centers.

43 Fredrik Andersson, John C. Haltiwanger, Mark J. Kutzbach, Giordano Palloni, Henry O. Pollakowski, and Daniel H. Weinberg. 2015. “Childhood Housing and Adult Earnings: A Between-Siblings Analysis of Housing Vouchers and Public Housing,” <https://www.stlouisfed.org/~media/Files/PDFs/Community%20Development/Econ%20Mobility/Sessions/PollakowskiPaper508.pdf>.

44 [https://www.mdrc.org/sites/default/files/full\\_485.pdf](https://www.mdrc.org/sites/default/files/full_485.pdf).

45 <https://www.huduser.gov/portal/periodicals/em/summer-fall-18/highlight3.html>.

46 Susan J. Popkin. 2018. “EnVision Centers: Insights from Research on Past Efforts to Promote Self-Sufficiency among HUD-Assisted Households,” <https://www.urban.org/research/publication/envision-centers-insights-research-past-efforts-promote-self-sufficiency-among-hud-assisted-households>.

## 7. STRATEGIC OBJECTIVE: SUPPORT EFFECTIVENESS AND ACCOUNTABILITY IN LONG-TERM DISASTER RECOVERY

*Facilitate housing, infrastructure and economic recovery while ensuring investments mitigate against future disasters and create resilient communities.*

### OBJECTIVE

After a disaster, Congress sometimes appropriates Community Development Block Grant Disaster Recovery (CDBG-DR) funds to HUD for long-term disaster recovery needs to particularly hard-hit disaster-affected communities. The Department’s priority is to “fill the gap” of housing recovery assistance to ensure disaster survivors have stable, affordable, and resilient homes. HUD will continue to require CDBG-DR grantees to target resources for households with the greatest housing needs to meet this objective. Post-disaster housing resources must include housing for renters, homeowners, and individuals experiencing homelessness. Additionally, HUD will continue to ensure homes are supported and protected by more resilient infrastructure. Efforts will focus on speeding the HUD approval process for infrastructure capable of sustaining economic development while providing increased protection from future disaster events.

LEADING THE OBJECTIVE

**Objective Lead**

David C. Woll, Jr.  
Principal Deputy Assistant Secretary  
Office of Community Planning  
and Development

HUD will improve oversight and transparency of grantee programs by swiftly implementing \$10M of disaster grant management system enhancements. The Department will consolidate all monitoring processes into the Disaster Recovery Grant Reporting System. Doing so will provide improved data analytics, dashboards, and tools to monitor grantee performance and financial progress. System upgrades will also: reduce costs, speed up administrative tasks for providers and CPD staff, and improve oversight of Federal funds. Supporting this endeavor will be improvements to transparency by way of additional system controls, modern website designs, and smart widget technology.

### STRATEGIES

- ❖ **Consolidate monitoring processes** by upgrading the Disaster Recovery Grant Reporting System.
- ❖ **Increase the stock of resilient housing.**
- ❖ **Increase the number of households who are no longer living in harm’s way.**

### CROSS AGENCY PRIORITY GOAL

HUD’s strategic objective to *Support Effectiveness and Accountability in Long-Term Disaster Recovery* supports the following CAP Goal:

- ❖ **Modernize Infrastructure Permitting** by improving the Federal environmental review and authorization process. Enable infrastructure project sponsors to start construction sooner, create jobs earlier, and fix our Nation’s infrastructure faster. Efforts will ensure potential impacts on environmental and community resources are integrated into planning processes.

## METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Decrease the percentage of “Slow Spenders” among CDBG-DR recipients for 2015, 2016, and 2017 funds**

HUD will focus grantees on the goal of timely recovery by using TA and oversight actions to decrease the percentage of 2015, 2016, and 2017 CDBG-DR grantees expending funds too slowly to meet applicable fund expenditure requirements (aka “slow spenders”).

- ❖ **Number of homes, affected by disaster events in 2017 and later, that were rehabbed, reconstructed, or newly constructed using CDBG-DR funds**

This measure will track the number of homes that were rehabilitated, reconstructed, or constructing using CDBG-DR funds, subject to enhanced program requirements.

- ❖ **Number of homes, affected by disaster events in 2017 and later, that are elevated**

This measure will track the number of homes that were elevated using CDBG-DR funds

- ❖ **Number of housing buyouts**

This measure will track the number of housing buyouts (homes purchased resulting in hazard-vulnerable properties permanently restricted from development) financed with CDBG-DR funds provided to grantees recovering from disaster events in 2017 and later

## EVIDENCE

With natural disasters becoming more frequent and more costly, improving the resilience of America’s communities is an important area of focus for research and policy. Resilience relates to the ability of systems and places to mitigate the risk of, withstand, and quickly recover from extreme events, and the social capital of communities is an important aspect of resilience.<sup>47</sup> In FY19, HUD expects to release a report on accelerating housing recovery after severe disasters, based on an examination of housing recovery activities funded by CDBG-DR during 2005 to 2015. Another ongoing research effort, “National Disaster Resilience Competition Case Studies,” has the potential to help communities save public resources, modernize infrastructure, and improve access to opportunity for vulnerable populations through cost-benefit analyses and guidebooks for future recovery grants.

<sup>47</sup> “The Research Basis for Disaster Resilience” 2015, <https://www.huduser.gov/portal/periodicals/em/winter15/highlight2.html>.



## 8. STRATEGIC OBJECTIVE: PROMOTE SECTION 3

*Assess, improve, and promote Section 3 to better serve eligible residents.*

### OBJECTIVE

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that aims to foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 Program 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. Since the launch of the Section 3 Performance Evaluation and Registry System (SPEARS) in August 2015, there have been over 33,000 reports from over 4,000 grantees, which include Public Housing Authorities, entitlement jurisdictions, and multifamily housing owners.

Secretary Carson’s vision for HUD-assisted families is one of self-sufficiency, and Section 3 is a key programmatic element. HUD is improving the internal operations of its Section 3 efforts, both by adding additional support and improving technology that captures compliance.

These efforts will seek to empower Section 3 residents through training and job opportunities. In addition, these opportunities will aid in further revitalizing urban and rural communities across the nation.

### STRATEGIES

- ❖ Revise the Section 3 Rule through collaborative internal and external engagement.
- ❖ Revise implementation of Section 3 Operations via Technical Assistance, Webinars, Guidance by FPM, PIH, CPD, OLHCHH, and Housing.
- ❖ Enhance IT evaluation and reporting systems to implement the new Section 3 rule.

### METRICS

To help achieve this objective, HUD has established the following performance indicators, which will be amended once the Proposed Rule is finalized:

- ❖ **Percentage of Section 3 residents hired**  
Percentage of the total number of hires made under Section 3-funded projects which are Section 3 residents
- ❖ **Percentage of construction contract funding awarded to Section 3 businesses**  
Percentage of Section 3-covered construction contract funding awarded to Section 3 businesses
- ❖ **Percent of total dollar amount of non-construction contracts with Section 3-covered HUD funding that is awarded to Section 3 businesses**  
Note: The regulatory target for Section 3 business non-construction contracts is 3 percent of the total dollar amount of non-construction contracts.
- ❖ **Number of self-certified Section 3 businesses in HUD’s registry nationwide**

### LEADING THE OBJECTIVE

#### Objective Lead

Matthew Hunter  
*Assistant Deputy Secretary*  
Field Policy and Management

## EVIDENCE

A 1996 implementation evaluation of Section 3 identified some of the core challenges that PHAs face in implementing the program, including the types of jobs available and the residents' preparation for work.<sup>48</sup> A key aspect of building evidence for making Section 3 more effective will be addressing administrative data collection challenges and weaknesses to support better monitoring. A process evaluation of the current Section 3 program occurred as part of the rulemaking process for the proposed new Section 3 rule and was completed in November 2018. A regulatory impact analysis being developed for the Section 3 rulemaking will estimate costs and benefits of the regulatory enhancements.

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48 <https://www.huduser.gov/portal/publications/pubasst/lesson3.html>

## 9. STRATEGIC OBJECTIVE: BOLSTER GROWTH IN OPPORTUNITY ZONES

*Optimize current HUD programs, policies and grants to bolster Opportunity Zone investments, where program objectives align.*

### OBJECTIVE

Opportunity Zones facilitate investment in distressed communities to allow low-income areas to tap into the gains of a prospering economy. To qualify as an Opportunity Zone, a locality/census tract must be designated by the State/territory and certified by the Treasury Secretary. Each State/territory had the ability to designate up to 25 percent of its low-income census tracts. More than 8,700 Opportunity Zones have been designated, and nearly 35 million Americans live within these zones. Based on data from the 2011-2015 American Community Survey, the designated census tracts had an average poverty rate of over 32 percent, compared with a rate of 17 percent for the average U.S. census tract. Moreover, the unemployment rate is nearly 1.6 times higher than the average census tract.

LEADING THE OBJECTIVE
<p style="text-align: center;"><b>Objective Lead</b></p> <p style="text-align: center;">Alfonso Costa Jr. <i>Deputy Chief of Staff</i> Office of the Secretary</p>

By providing an incentive for private capital to invest, these zones can breathe new life into communities that have been left behind for years. Opportunity Zones provide a way to connect the unrealized capital gains of U.S. households and businesses to these communities.

While the Department of the Treasury is responsible for writing the tax rules governing Opportunity Zones, there are many ways that HUD programs can provide a boost for these neighborhoods. An Opportunity Zone is defined as “an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment.” HUD aims to ensure (to the maximum extent permitted by law) that Opportunity Zones receive prioritized support regarding grants, financing, and other assistance.

While the Department of the Treasury is responsible for writing the tax rules governing Opportunity Zones, there are many ways that HUD programs can provide a boost for these neighborhoods. An Opportunity Zone is defined as “an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment.” HUD aims to ensure (to the maximum extent permitted by law) that Opportunity Zones receive prioritized support regarding grants, financing, and other assistance.

### STRATEGIES

- ❖ **Integrate support for Opportunity Zone investment into HUD programs.**
- ❖ **Integrate Opportunity Zone investment into HUD rules, regulations, and guidance.**

### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Percentage of RAD Conversions within Opportunity Zones**  
The percentage of public housing units converted to Project-Based Voucher (PBV) or Project-Based Rental Assistance (PBRA) programs, as part of the RAD Program, in Opportunity Zones

## STRATEGIC GOAL II: PROTECT TAXPAYER FUNDS

*Align the policies, processes, and people responsible for financial reporting to protect taxpayer's funds.*

### GOAL

HUD will improve processes and policies to enable it to meet reporting requirements and comply with laws and regulations related to all financial matters. The Department will develop new, or enhance existing, policies and procedures to provide guidance and alignment within HUD. Efforts will be driven by commitments from senior Departmental leadership; clear, concise operational planning; and focusing on the needs of end-customers.

HUD will reduce fraud, waste, and abuse of taxpayer dollars. Efforts will focus on the objective to:

1. Improve Financial Controls through Financial Transformation

To lead Departmental efforts, HUD has established the Agency-Wide Integrity Task Force. This CFO-chaired central steering committee consists of the heads of HUD's component offices. Project management offices beneath the steering committee will execute Department-wide efforts to achieve the goal's objectives. The Task Force will create a governance environment of review, accountability and reporting across HUD, promote stakeholder engagement, and operational a governance structure that is sustainable and repeatable. This will serve to improve reporting and accountability and better inform decision-making.

### LEADING THIS GOAL

#### Goal Lead

Irving Dennis  
*Chief Financial Officer*  
 Department of Housing and  
 Urban Development

## 10. STRATEGIC OBJECTIVE: IMPROVE FINANCIAL CONTROLS THROUGH FINANCIAL TRANSFORMATION

*Streamline and improve our financial management to reduce material audit weaknesses; increase transparency; and ensure strong stewardship of Federal resources.*

### OBJECTIVE

HUD plans to ensure strong stewardship of Federal resources by streamlining and improving its financial management. The Department will transform financial resource management by re-engineering business processes and improving internal controls that impact financial reporting. Expanded efforts will address the challenges associated with recurring audit issues; discordant fiscal recordkeeping processes; disparate financial reporting systems; undocumented operating procedures; lax oversight; and burdened oversight of disaster recovery funds.

Dedicated resources will monitor a strengthened internal control environment related to the flow of funds. This will ensure the Department has increased awareness of enterprise and fraud risk management activities, through educational outreach and ongoing collaboration within program offices. HUD plans to ensure strong stewardship of Federal resources by streamlining and improving its grants management. The Department will enhance financial resource management by re-engineering business processes and improving internal controls that impact financial reporting.

To ensure the Department can garner a clean audit, HUD will: execute the CFO's Financial Transformation Plan;<sup>49</sup> improve internal controls; develop and document standard operating procedures; strengthen cash management; and update internal controls for disaster recovery funds. The Department will also empower HUD programs to identify, manage, and mitigate enterprise and fraud risk through the Enterprise and Fraud Risk Management (EFRM) Program (Program). The EFRM Program provides a strategically-aligned, enterprise-wide portfolio view of internal and external risks to HUD and its mission. The EFRM Program aims to identify and respond to risks related to strategy, operations, reporting, and compliance to enable successful achievement of HUD's mission. The Program focuses on evaluating the top risks to the Department while preventing, detecting, and responding to fraud and misconduct.

### STRATEGIES

- ❖ **Re-establish governance processes** for HUD-wide financial management
- ❖ **Standardize, improve, and document financial reporting processes.**
- ❖ **Resolve Office of the Inspector General (OIG) and GAO findings** - Determine and correct the overarching issues driving audit findings and material weaknesses.
- ❖ **Update internal controls to optimize the flow of disaster recovery funds.**
- ❖ **Move towards a standardized grants management process and a modern grants management system** with an interface that is integrated with the financial system.
- ❖ **Establish standard policies and procedures for closing grants** to ensure that HUD closes out grants in a timely manner in the future.
- ❖ **Update an enterprise-wide grants monitoring** policy to standardize monitoring across programs and move the Department toward performance-based grants.

### LEADING THE OBJECTIVE

#### Objective Lead

Irving Dennis  
*Chief Financial Officer*  
 Department of Housing and  
 Urban Development

<sup>49</sup> The CFO's Financial Transformation Plan is a comprehensive, bottom-up remediation plan that incorporates the plans of all relevant financial operations components within HUD.

- ❖ **Consolidate grants and streamline application processes** for programs that experience little change in their pools of grantees from year-to-year. This will reduce staff time spent on processing Notices of Funding Availability by supporting biennial grantee re-certifications.
- ❖ **Automate CPD financial management dashboard**; then expand to other program offices.
- ❖ **Establish risk** as an inherent part of the Department's strategic, budgeting, and operational models.
- ❖ **Establish a governance process to oversee key EFRM decisions**, including initiating a Risk Management Council (RMC).
- ❖ **Maintain updated enterprise risk profile** to promote department-wide awareness of top risks and align with the target ERM lifecycle.
- ❖ **Assess Departmental EFRM maturity** against Federal requirements and leading EFRM practices.

### CROSS AGENCY PRIORITY GOALS

HUD's strategic objective to Improve Financial Controls through Financial Transformation supports the following CAP Goals:

- ❖ **Share Quality Services** to deliver technology and process improvements that will improve citizen services. HUD efforts will shift time, effort, and funding currently spent on administrative services to core missions in support of American citizens.
- ❖ **Get Payments Right** to reduce the amount of cash lost to the taxpayer through incorrect payments. Clarify and streamline reporting and compliance requirements to focus on actions that make a difference. Focus efforts towards partnering with states to address improper payments in programs they administer using Federal funds.
- ❖ **Achieve Results-Oriented Accountability for Grants** to increase efficiency, promote evaluation, reduce reporting burden, and benefit the American taxpayer.

### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Reduce the number of OIG findings issued in previous financial statement audits**  
Reduce the number of OIG recommendations regarding HUD's financial management that the OIG issued in previous financial statement audits.
- ❖ **Conduct Quarterly Financial Management Council Meetings**  
Convene regular planning and communication sessions to coordinate Department-wide priorities.
- ❖ **Decommission Legacy Financial Systems**  
Modernize, consolidate, and then decommission HUD's separate financial systems into one central structure.
- ❖ **Timely Certification of Open Obligations review**  
Percentage of program offices which certify open obligations by annual HUD OCFO deadlines.
- ❖ **Timely completion of necessary deobligations**  
Program offices complete necessary deobligations and updates to awards' periods of performance as identified in the open obligations review process. Program offices will provide the identified deobligations to OCPO annually by the end of April.

❖ **Number of Grants Reported Under the FY17 Grants Oversight and New Efficiency (GONE) Act Submission**

HUD will track progress towards reducing the number of grants reported in the FY17 GONE Act submission with periods of performance that have been expired for two or more years and have not been closed out.

**Cross-Agency Priority Goal: Results-Oriented Accountability For Grants**

❖ **Number of Programs Using At Least One Outcome Metric for Scoring Purposes**

HUD will track the number of competitive grant programs that use at least one outcome metric for scoring purposes.

❖ **Percentage of Metrics that are Outcome Metrics**

HUD will track the percentage of metrics, used for scoring competitive grant applications, that measure outcomes.

❖ **Number of Programs Participating in the Standards for Success Pilot**

HUD will track the annual number of grant programs that opt to participate in the Standards for Success Pilot.<sup>50</sup>

❖ **Number of Competitions that Use Multi-Year NOFA<sup>51</sup>**

This measure will track how many grant competitions use Notices of Funding Availability that provide recipients with awards distributed over multiple years.<sup>52</sup>

**EVIDENCE**

HUD's largest source of improper payments results from income determination errors in the assisted housing programs. Annual Quality Control studies funded by CFO and conducted by PD&R for 2000–2015 documented HUD's success in reducing gross rental subsidy errors from \$2.238 billion in 2000 to \$747 million in 2015.<sup>53</sup> HUD's pursued rental reform aims to reduce the complexity of rent calculations and mitigate further opportunities for error. Material weaknesses are documented annually by the Office of the Inspector General and included in HUD's Agency Financial Report.<sup>54</sup>

50 The Standards for Success Pilot is testing the functionality of data collection in GrantSolutions.

51 The Fair Housing Initiatives Program's Private Enforcement Initiative, Housing Counseling, and ROSS comprised the three programs for FY15-FY17.

52 Most grant competitions require recipients to reapply for awards on an annual basis.

53 Quality Control studies are available on [www.HUDUSER.gov](http://www.HUDUSER.gov).

54 HUD's Agency Financial Reports are available at [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/cfo/reports/cforept](https://portal.hud.gov/hudportal/HUD?src=/program_offices/cfo/reports/cforept).

## STRATEGIC GOAL III: STREAMLINE OPERATIONS

*Radically simplify rules and streamline programs to better serve our customers.*

### GOAL

HUD will examine its programs, customer needs, and employee expertise to streamline its operations. The Department provides many crucial services to our nation and employs highly motivated people who want their work to have the greatest impact possible. Yet due to outdated technology, business processes, and structures, an employee's work is sometimes harder to accomplish than it should be. Both customers and employees have expressed a desire for HUD to be more efficient, agile, and responsive.

To meet this need, HUD will streamline alignment of program regulations, rules, and management activities to allow the Department's customers to more easily access our services. HUD will better align delegations of authority to prevent gaps and overlaps in responsibility while streamlining coordination. The Department will explore ways to strengthen coordination among program offices in Headquarters and the Field to ensure front-line employees are empowered to respond effectively to customers' needs. Department-wide efforts to simplify HUD's regulations, rules, and improve human capital management will support these efforts while ensuring their long-term sustainability.

### To meet this goal, HUD will pursue the following strategic objectives:

1. Organize and Deliver Services More Effectively;
2. Modernize Information Technology; and
3. Reform Regulations.

### LEADING THIS GOAL

#### Goal Lead

Ralph Gaines  
*Chief Operations Officer*  
 Department of Housing and  
 Urban Development



## 11. STRATEGIC OBJECTIVE: ORGANIZE AND DELIVER SERVICES MORE EFFECTIVELY

*Optimize service delivery and decision-making to better meet customer needs.*

### OBJECTIVE

HUD will examine interdependencies among its programs, customer needs, and employee expertise to determine the optimal provision of its services. Alignment of program management will prevent gaps and overlaps in responsibility while streamlining coordination. HUD will also examine and better align delegations of authority to improve program effectiveness. HUD will explore ways to strengthen communication among program offices in headquarters and the Field, as the Field is key to HUD’s success. With that in mind, Field Quality Management Reviews (FQMRs) will be conducted to identify and establish quality management standards for more effective operations. The focus is on identifying and correcting operational problems before they reach a critical stage. The Department will also recognize and replicate outstanding methods of accomplishing HUD’s mission and implementing improvements.

LEADING THE OBJECTIVE
<p><b>Objective Lead</b></p> <p>Chad Cowan Principal Deputy Assistant Secretary Office of the Assistant Secretary for Administration</p>

The Department plans to use data-driven decision-making to streamline service delivery and how it is organized. This will include establishing clearly-defined program goals, roles, and individual responsibilities for outcomes. HUD will streamline acquisitions management by analyzing end-to-end acquisitions processes, developing a communication strategy to engage key acquisition process stakeholders to understand challenges, and establishing transformation plans. The Department will also improve the hiring process by identifying bottlenecks and needed resources to reduce the average time-to-hire. These operational improvements will encourage innovation, increase collaboration, bolster internal controls, and better enable HUD to deliver services to its customers.

HUD plans to improve service delivery further by developing a diverse, skilled, and accountable workforce that effectively meets Departmental business needs. Managers will be held accountable for: providing employee feedback; addressing performance and conduct deficiencies in a timely manner; fulfilling their Equal Employment Opportunity (EEO) responsibilities; and ensuring meaningful differentiation in employee ratings based on relative performance. HUD will foster an enhanced culture of accountability and performance to better serve the American public by providing employees with continuous learning and developmental opportunities, clear performance expectations, and opportunities for collaboration.

### STRATEGIES

- ❖ **Develop talent management strategies** to support workforce reshaping initiatives, knowledge transfer through succession planning, training, and leverage human capital analytics.
- ❖ **Improve the hiring and human capital functions**, to reduce average time-to-hire and improve the quality of hires, to ensure HUD attracts, trains, and retains an efficient workforce with an accountability structure that accomplishes our mission.
- ❖ **Develop employees’ assessment skills, expertise, and site-specific knowledge** that will stimulate robust peer-to-peer evaluations.
- ❖ **Increase awareness of best practices, challenges, and risks** to ensure HUD programs are performing in accordance with statutory requirements, efficient management principles, and the objective, program-specific standards established for them by their individual program leadership.

- ❖ **Improve transparency and accountability** in acquisitions. Implement scorecards to track timeliness of acquisition activities.
- ❖ **Implement a customer survey process** to obtain ongoing feedback on acquisitions accomplishments/issues.
- ❖ **Implement a pilot** project to reduce time to conduct technical evaluation of all acquisition proposals.
- ❖ **Complete organizational assessment of OCPO** to identify methods for improving operations to deliver services better.

### CROSS AGENCY PRIORITY GOAL

HUD's strategic objective to Organize and Deliver Services More Effectively supports the following CAP Goal:

- ❖ **Shift from Low- to High-Value Work** to focus time, effort, and funding toward accomplishing mission-critical objectives; instead of obsolete and unnecessary compliance activities.

### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Net reduction in the number of skills gaps identified by employees and their managers**  
This measure will track biennial competency assessment results to track how many skills gaps have been fully addressed via Department-provided training.
- ❖ **Number of pre-complaint resolutions occurring through traditional counseling, withdrawals, and the Alternate Dispute Resolution process**  
This measure will seek to increase the number of pre-complaint resolutions occurring through the Alternate Dispute Resolution process.
- ❖ **Average Time-to-Hire**  
This measure will track the average number of days it takes to fill established vacancies. HUD will analyze current and historical data for the Department to inform Talent Management strategies and decisions regarding the workforce.
- ❖ **Percentage of positive responses to FEVS employee engagement and performance questions**  
This measure will track FEVS Employee Engagement Index responses and indicators relative to Performance ("Concerning Fairness," "Being Supportive," "Open," "Cooperative," and "Empowering").
- ❖ **InCompass Performance Management Data**  
This measure will track the percentage of annual PACS and EPPES performance reviews that are completed in a timely manner and successfully entered into our management tool, InCompass.
- ❖ **Increase developmental training opportunities**  
This measure will track the developmental training opportunities made available to HUD employees, managers, and senior leaders.<sup>55</sup>
- ❖ **Number of performance-based actions**  
This measure will track the number of employee performance improvement plans conducted by the Department.
- ❖ **Conduct Field Quarterly Management Reviews**  
This metric will track the total number of FQMRs completed during the fiscal year.

<sup>55</sup> Metrics on Performance Management are further detailed in the Human Capital Operation Plan (HCOP).

- ❖ **Conduct electronic pre-site visit surveys for Field Quarterly Management Reviews**
- ❖ This metric will measure the number of FQMR sites that received pre-visit surveys for FQMRs
- ❖ **Identify replicable best practices**  
HUD will track the number of outstanding program or management practices that are identified by FQMRs and can be replicated across the Department
- ❖ **Identify program office operational problems to be resolved**  
HUD will track the number of operational issues which have been identified by FQMRs.
- ❖ **Acquisition Survey Satisfaction**  
This measure will track stakeholder satisfaction and feedback through stakeholder surveys.
- ❖ **On-Time Execution of All Procurement Actions - PALT**  
This measure will track the percentage of all procurement actions awarded within the established Procurement Acquisition Lead Times (PALT).
- ❖ **On-Time Submission of Planned Actionable Acquisition Requirements**  
This measure will track the percentage of actionable acquisition requirements submitted by customer offices by the Target Requisition Release Date (TRRD).
- ❖ **On-Time Award of Planned Actionable Acquisition Requirements**  
This measure will track the percentage of awards by the Target Award Date (TAD) of actionable acquisition requirements submitted by program offices by the TRRD.

## EVIDENCE

HUD has a history of using partner satisfaction surveys to measure service delivery outcomes for partner groups such as housing providers, cities, lenders, and grantees.<sup>56</sup> This research showed that levels of satisfaction among partner groups are correlated with the extent to which they perceived HUD as primarily a regulator or primarily assisting. HUD also has measured satisfaction of final customers (assisted renters) through surveys by HUD's Real Estate Assessment Center (Resident Assessment Subsystem, during 2000–2003),<sup>57</sup> and PD&R surveys of voucher households.<sup>58</sup> HUD's customer relationship management will be deployed in FY19 and will offer a wealth of real-time, local data on the delivery of HUD services and opportunities for improvement.

Employee satisfaction surveys are the primary tool for tracking employee outcomes. HUD employee surveys<sup>59</sup> have been conducted by the Office of Personnel Management, migrating from Organizational Assessment Surveys to the annual, government-wide Federal Employee Viewpoint Surveys.<sup>60</sup> The Government Accountability Office also conducts the Survey of Organizational Performance and Management Issues among Federal managers.<sup>61</sup> These data are used to identify areas for improvement and monitor progress on workforce changes pursued in this objective.

56 See "Partner Satisfaction With HUD's Performance: 2010 Survey Results and Trends Since 2005," [https://www.huduser.gov/portal/publications/polleg/partnersatis\\_2011.html](https://www.huduser.gov/portal/publications/polleg/partnersatis_2011.html); "Partner Satisfaction with HUD's Performance" (2006), <https://www.huduser.gov/portal/publications/polleg/partnersatis.html>; "How's HUD Doing: Agency Performance as Judged by Its Partners" (2001), [https://www.huduser.gov/portal/publications/polleg/how\\_hud.html](https://www.huduser.gov/portal/publications/polleg/how_hud.html); and indicator E.16 in HUD FY 2008 Performance and Accountability Report.

57 See for example indicators 1.2.4.5 and 5.1.3 of HUD FY 2001 Annual Performance Report.

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

59 See for example indicator 5.1.1 in HUD FY 2001 Performance and Accountability Report.

60 For the EVS, see <https://www.opm.gov/policy-data-oversight/data-analysis-documentation/employee-surveys/>

61 The 2017 OAPMI survey results for HUD are found at <https://www.gao.gov/special.pubs/gao-17-776sp/resultshud.htm>.

## CROSS-AGENCY PRIORITY GOAL: SHIFT FROM LOW-VALUE TO HIGH-VALUE WORK

*HUD's Strategic Objective to Organize and Deliver Services More Effectively supports the President's Management Agenda goal to Shift From Low-Value to High-Value Work.*

### GOAL

*Shifting from Low- to High-Value Work* focuses on shifting time, effort, and funding toward accomplishing mission-critical objectives, instead of obsolete and unnecessary compliance activities. It encompasses Federal Agencies' current efforts to streamline operations, reform regulations, and allow employees to focus on the mission-critical aspects of their jobs.

The Goal is supported by five strategies:

1. Improve the Return-on-Investment (ROI) of OMB Guidance
2. Reduce Compliance Requirements from Central Management Agencies
3. Eliminate Outdated Congressionally-Mandated Reporting Requirements
4. Reduce Unnecessary Agency Costs and Compliance Requirements, and Increase High-Value Work <sup>62</sup>
5. Create Ongoing Accountability, Incentives, and Capabilities for Reducing Burden

The Prescription for HUD directly supports this goal as it is focused on improving outcomes of the Department's programs and strengthening internal operations. The Prescription for HUD does this by ensuring employees are not tied down by inefficient administrative processes that impede the Department's service delivery. Concurrently, it also reorients processes to meet 21st Century expectations of efficiency. HUD's performance measurement will focus on measuring and improving the return-on-investment of all modernization, regulatory, and operational improvements.

### STRATEGIES

- ❖ **Reduce Unnecessary Agency Costs and Compliance Requirements to Increase High-Value Work** – Major Federal agencies are undertaking their own burden reduction efforts and will regularly report on progress.
- ❖ **Supporting Strategy:** *Create Ongoing Capabilities for Reducing Burden*

### METRICS

Federal Agencies will provide regular updates on their efforts to reduce the burden of agency-implemented administrative requirements, regulations, and internal reporting obligations. OMB will develop a burden-estimate methodology for evaluating the burden of new guidance and requirements prior to central-management offices issuing guidance to Federal Agencies.

**LEADING THE OBJECTIVE**

**HUD CAP Goal Lead**

Ralph Gaines  
*Chief Operations Officer*  
 Department of Housing and Urban Development

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**Lead Agencies**

Department of Housing and Urban Development &  
 Office of Management and Budget

<sup>62</sup> Strategy 4 is the only strategy HUD manages directly. The remaining strategies are led by OMB.

## 12. STRATEGIC OBJECTIVE: MODERNIZE INFORMATION TECHNOLOGY

*Strengthen tools and processes to improve IT service to internal and external customers.*

### OBJECTIVE

HUD has identified a number of operations that would benefit from the modernization of Departmental IT systems and processes.<sup>63</sup> Operations will be strengthened with improved access to data through an Enterprise Data Management Program. This program will facilitate data sharing across HUD programs for both internal and external stakeholders. HUD will also provide access to data business intelligence tools (including artificial intelligence, machine learning, and robotics process automation) to improve mission execution. This will allow HUD to make stronger data-driven decisions and shift resources towards more high-value work. HUD will improve system designs by implementing enterprise services that can be leveraged across the Department to reduce duplicative systems and allow older systems to be decommissioned. HUD will continue to partner with GSA in developing Centers of Excellence to improve the experience of internal and external users of HUD systems. Finally, HUD will invest in making additional technologies available to staff to ensure effective and efficient use of resources for the accomplishment of the Department’s mission.

**LEADING THE OBJECTIVE**

**Objective Lead**

David Chow  
*Chief Information Officer*  
 Department of Housing and  
 Urban Development

### STRATEGIES

- ❖ **Improve utilization of data** by streamlining HUD’s data collection processes, creating common data definitions, and ensuring only necessary data are collected and reported.
- ❖ **Promote innovative IT service delivery**, including modernizing IT infrastructure to enable on-the-ground staff to enhance program execution.
- ❖ **Equip employees with the tools they need to succeed**, including laptops and dual monitors.

### CROSS AGENCY PRIORITY GOALS

HUD’s strategic objective to Organize and Deliver Services More Effectively supports the following CAP Goals:

- ❖ **Modernize IT to Increase Productivity and Security** to enhance mission delivery and productivity. HUD will drive value by increasing efficiencies of IT spending while potentially reducing costs and enhancing citizen engagement and satisfaction with the services provided.
- ❖ **Leverage Data as a Strategic Asset** to grow the economy, increase the effectiveness of the Federal Government, facilitate oversight, and promote transparency. Efforts will focus on improving mission delivery, customer service, and more effectively stewarding resources while respecting privacy and confidentiality.
- ❖ **Improve Customer Experiences with Federal Services** by improving the usability and reliability of HUD’s most critical digital services. Efforts will increase communication and accessibility between HUD and the citizens it serves.
- ❖ **Improve Outcomes Through Federal IT Spending Transparency** by empowering Federal executives to make data-driven decisions. HUD will support executives’ analysis of trade-offs between cost, quality, and derived value of IT investments.

<sup>63</sup> Operational categories have been established through the HUD-GSA Center of Excellence Program. Each is being addressed by category-specific project management offices within the Agency-Wide Integrity Task Force. The PMOs are focused on improving HUD’s cloud adaption / information security; contact centers; customer experience; data analytics; and reskilling of employees.

## METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Number of HUD mainframe systems decommissioned/migrated**  
This measure will track the number of HUD mainframe systems which are decommissioned or migrated off the mainframe.
- ❖ **Average of Employee IT Survey Satisfaction Score** <sup>64</sup>  
This measure will track employee satisfaction and feedback through an IT customer survey.
- ❖ **Number of Enterprise IT Solutions Implemented**  
This measure will track the number of enterprise-wide IT solutions that are implemented to streamline manual or cumbersome processes.

## EVIDENCE

Recent reports by the Government Accountability Office have highlighted opportunities for Chief Information Officers (CIOs) to improve information technology acquisitions and operations,<sup>65</sup> and for HUD, noted that cost estimating practice needs to be strengthened.<sup>66</sup> This evidence is used in the formulation and ongoing management of HUD's IT modernization strategy.

<sup>64</sup> End-user services are transitioning. Reduced targets are reflective of this transition.

<sup>65</sup> "Opportunities for Improving Acquisitions and Operations" (2017), <https://www.gao.gov/products/GAO-17-251SP>, "Further Implementation of Recommendations Is Needed to Better Manage Acquisitions and Operations" (2018), <https://www.gao.gov/products/GAO-18-460T>.

<sup>66</sup> "Information Technology: HUD Needs to Address Significant Weaknesses in Its Cost Estimating Practices" (2017), <https://www.gao.gov/products/GAO-17-281>.

### 13. STRATEGIC OBJECTIVE: REFORM REGULATIONS

*Empower our partners and customers by reducing burdensome regulations.*

#### OBJECTIVE

HUD will empower our partners and customers by reducing burdensome regulations in the development, provision, and maintenance of affordable housing. Outdated, redundant, or unnecessarily burdensome regulations and statutory requirements may make program participation difficult and costly. The Department cannot afford to leave such burdensome regulatory policies in place.

LEADING THE OBJECTIVE
<p><b>Objective Lead</b></p> <p>Paul Compton  <i>General Counsel</i>                      Department of Housing and                      Urban Development</p>

HUD will use an iterative process, informed by its stakeholders, to streamline and eliminate burdensome regulations. The Department will establish a Regulatory Reform Task Force, comprised of representatives from the Office of General Counsel (OGC) and HUD’s major programs to support this effort. The Task Force will be responsible for identifying, reviewing, and streamlining regulations that are out-of-date or too costly. This work will answer the call of Executive Order 13771, “Reducing Regulation and Controlling Regulatory Costs.”

The Department has made it a priority to make informed decisions about priorities, budgets, and program operations by adequately aligning Departmental resources with appropriate regulatory solutions. HUD will pursue program staffing and oversight improvements to minimize ineffective enforcement of existing, reformed, or new regulations. Meanwhile, HUD will continue to address audit findings and other compliance issues while Department-wide staffing and funding solutions are developed.

#### STRATEGIES

- ❖ **Develop and implement a package of regulatory and proposed statutory updates** to alleviate costly, non-value-add policies.

#### METRICS

To track our progress toward this objective, HUD will use these performance indicators:

- ❖ **Number of EO 13771 regulatory actions**  
 HUD will track how few new regulatory actions, which impose new costs on the public, it issues each fiscal year.
- ❖ **EO 13771 deregulatory actions issued**  
 HUD will track how many cost-saving deregulatory actions it issues each fiscal year.
- ❖ **Number of evaluations to identify potential EO 13771 deregulatory actions that included opportunity for public input and/or peer review**  
 HUD will track the amount of evaluations which integrate public input or peer reviews into HUD assessments.
- ❖ **Number of EO 13771 deregulatory actions issued that address recommendations by the Regulatory Reform Task Force**  
 HUD will track the amount of cost-saving deregulatory actions are published during each fiscal year.
- ❖ **Number of EO 13771 deregulatory actions recommended by the Regulatory Reform Task Force to the agency head, consistent with applicable law**

HUD will track the annual amount of cost-saving deregulatory actions are referred to the Secretary of HUD for issuance.

❖ **Total incremental cost of all EO 13771 regulatory actions and EO 13771 deregulatory actions**

HUD will track the total estimated cost-savings of deregulatory actions issued during each fiscal year.

**EVIDENCE**

Evidence is central to the regulatory process. PD&R prepares regulatory impact analyses (RIAs) for proposed rules that are intended to identify a systemic problem requiring intervention, define the desired outcome of intervention, describe alternative approaches to achieve the desired outcome, and compare the benefits and costs of each alternative.



## CROSS-AGENCY PRIORITY GOALS

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

Set or revised at least every four years, CAP Goals include outcome-oriented goals that cover a limited number of crosscutting policy areas as well as management goals focused on administrative improvements across the Federal Government. A series of fourteen Administration-wide CAP Goals have been established to improve the management of Federal finances, human capital, information technology, acquisitions, and regulations. Each goal features: clearly-named accountable officials; data-driven reviews that incorporated a broad range of quantitative and qualitative inputs; and reporting to the public through a common website as a framework to drive performance improvements on cross-government collaboration and tackle government-wide management challenges affecting most agencies.

Summaries of HUD’s activities in support of each CAP Goal are available in the preceding *Strategic Objective* sections of this document. Each Goal has been mapped to the HUD Strategic Objective designed to support its aims. A list of each CAP Goal and its related Objective is available below.

#	Cross-Agency Priority Goal	Related Strategic Objective(s)	Page
1	<a href="#">Modernize IT to Increase Productivity and Security</a>	Modernize Information Technology	43
2	<a href="#">Leverage Data as a Strategic Asset</a>	Modernize Information Technology	43
3	<a href="#">Develop a Workforce for the 21st Century</a>	N/A <sup>67</sup>	N/A
4	<a href="#">Improve Customer Experiences with Federal Services</a>	Modernize Information Technology	43
5	<a href="#">Share Quality Services</a>	Improve Financial Controls through Financial Transformation	35
6	<a href="#">Shift from Low-Value to High-Value Work</a>	Organize and Deliver Services More Effectively	39
7	<a href="#">Category Management</a>	N/A <sup>68</sup>	N/A
8	<a href="#">Achieve Results-Oriented Accountability For Grants</a>	Improve Financial Controls through Financial Transformation	35
9	<a href="#">Get Payments Right</a>	Improve Financial Controls through Financial Transformation	35
10	<a href="#">Improve Outcomes Through Federal IT Spending Transparency</a>	Modernize Information Technology	43

67 HUD does not directly participate in this CAP Goal. The Department will continue to follow the guidance provided OMB and the lead agencies designated for this CAP Goal.

68 HUD does not directly participate in this CAP Goal. The Department will continue to follow the guidance provided OMB and the lead agencies designated for this CAP Goal.

11	<a href="#">Improve Management of Major Acquisitions</a>	N/A <sup>69</sup>	N/A
12	<a href="#">Modernize Infrastructure Permitting</a>	Support Effectiveness and Accountability in Long-Term Disaster Recovery	29
13	<a href="#">Security Clearance, Suitability, and Credentialing Reform</a>	N/A <sup>70</sup>	N/A
14	<a href="#">Improve Transfer of Federally-Funded Technologies from Lab-to-Market</a>	N/A <sup>71</sup>	N/A

For further CAP Goal information, please visit <https://www.performance.gov/>.

<sup>69</sup> HUD does not directly participate in this CAP Goal. The Department will continue to follow the guidance provided OMB and the lead agencies designated for this CAP Goal.

<sup>70</sup> HUD does not directly participate in this CAP Goal. The Department will continue to follow the guidance provided OMB and the lead agencies designated for this CAP Goal.

<sup>71</sup> HUD does not participate in this CAP Goal as the Department does not conduct technology-related research and development.





[www.hud.gov](http://www.hud.gov)