

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Program Office Salaries and Expenses

### Public and Indian Housing

#### SALARIES AND EXPENSES

(Dollars in Thousands)

	2023*	2024			2025		
	Actuals	Carry Over	Annualized CR	Total	Carry Over	President's Budget	Total
<b>Personnel Services</b>	<b>\$245,135</b>	<b>\$33,279</b>	<b>\$243,274</b>	<b>\$276,553</b>	<b>\$5,853</b>	<b>\$283,095</b>	<b>\$288,948</b>
<b>Non-Personnel Services</b>							
Travel	2,672	-	1,858	1,858	-	2,000	2,000
Transportation of Things	-	-	-	-	-	-	-
Rent and Utilities	-	-	6	6	-	6	6
Printing	5	-	5	5	-	5	5
Other services/Contracts	5,112	-	4,402	4,402	-	1,948	1,948
Training	1,106	-	581	581	-	1,145	1,145
Supplies	301	-	26	26	-	25	25
Furniture and Equipment	31	-	37	37	-	30	30
Claims and Indemnities	-	-	85	85	-	85	85
<b>Total, Non-Personnel Services</b>	<b>\$9,227</b>	<b>-</b>	<b>\$7,000</b>	<b>\$7,000</b>	<b>-</b>	<b>\$5,244</b>	<b>\$5,244</b>
Working Capital Fund	4,912	-	22,073	22,073		7,000	7,000
Carryover	33,279	-	5,853	5,853	-	1,411	1,411
<b>Grand Total</b>	<b>\$292,553</b>	<b>\$33,279</b>	<b>\$278,200</b>	<b>\$311,479</b>	<b>\$5,853</b>	<b>\$296,750</b>	<b>\$302,603</b>
<b>FTEs</b>	<b>1,388</b>	<b>180</b>	<b>1,312</b>	<b>1,492</b>	<b>31</b>	<b>1,486</b>	<b>1,517</b>

\*Includes 2022 carryover

### PROGRAM PURPOSE

The central mission of the Office of Public and Indian Housing (PIH) is to provide nearly 3.2 million of the country's most vulnerable households a safe, decent, and affordable place to call home, while simultaneously supporting the Administration's priorities to: strengthen and broaden the Federal housing safety net for people in need; advance housing equity as a means to improving housing choices and greater economic opportunity; strengthen HUD's internal institutional capacity to deliver on mission; increase the production of and access to affordable housing; and promote climate resiliency, environmental justice, and energy efficiency across the housing sector.

PIH currently partners with more than 3,500 public housing agencies (PHAs) and almost 600 sovereign Tribal nations to: increase capacity; administer, operate, and improve their housing inventories; effectively manage their physical assets and financial resources; and facilitate programs that provide supportive services to improve tenant outcomes and create strong, sustainable, energy efficient, inclusive communities and quality affordable homes for all.

HUD will improve upon the health and safety of assisted housing, enhance energy and water efficiency in our most distressed low-income communities, and make progress on longstanding

systemic challenges, including racial injustice, rising inequality, and the climate crisis. HUD's work is essential to improving the quality of life of the American people, and this investment in PIH's salaries and expenses will spur that work and support HUD's day-to-day operations.

## **BUDGET OVERVIEW**

The 2025 President's Budget requests \$296.8 million, which is \$18.6 million more than the 2024 Annualized CR Level. The Budget reflects total funding (carryover and new authority) of \$302.6 million, which is \$8.9 million below 2024 total funding. Efficient delivery of PIH's programs requires a minimum of 1,517 full-time equivalents (FTEs) stationed in Headquarters, 44 field offices, and six Office of Native American Programs offices and two satellite offices. A detailed discussion of each office's role and workload is provided below.

### **Personnel Services (PS)**

The Budget assumes total funding of \$288.9 million for personnel services to support 1,517 FTEs, which is 25 FTEs and \$12.4 million more than the 2024 total PS level. The requested 2025 PS funding level supports a two percent pay raise.

To fully support the Administration's and Departmental goals, PIH will maximize resources that improve the quality, safety, and accessibility of affordable housing for low-income residents and strengthen HUD's internal institutional capacity and efficiency to deliver on its mission. The staffing required in each PIH program office is based on carrying out core functions as well as supporting Administration and Departmental priorities. Limited staff capacity in PIH is a key risk for HUD and is identified as a risk in HUD's Enterprise Risk analysis.

### **The Office of Field Operations (OFO)**

OFO provides monitoring and technical assistance to approximately 3,500 public housing agencies (PHAs). Local OFO employees – stationed at HUD Headquarters and across 44 field office locations – are the first point of contact for PHAs, residents, political officials, State and local government officials, and community stakeholders. Field office oversight and monitoring activities include in-depth, on-site monitoring reviews of PHAs' public housing, voucher, and supportive service programs. Almost 200 monitoring reviews were completed in 2023. OFO staff work directly with PHA staff to increase voucher utilization and increase public housing occupancy. OFO's efforts resulted in utilization of over 101 percent of voucher funds in 2023. In 2025, OFO will complete a similar number of reviews to ensure a high utilization of voucher funds. To increase housing opportunities for more families, OFO staff: engages underperforming PHAs to develop clear voucher leasing plans and public housing occupancy action plans; provides intensive technical assistance, including voucher utilization office hours and subject matter expert calls; conducts landlord engagement; improves special purpose voucher referral rates; and encourages PHAs to make more units available and ready for leasing.

In 2025, OFO will ensure PHAs are correcting life-threatening deficiencies identified by NSPIRE inspections for public housing properties. OFO staff also works directly with troubled PHAs to improve their housing and financial conditions. To improve physical conditions, inspectors are diligently conducting thorough assessments of properties and documenting and providing comprehensive findings that detail the current condition of each property. OFO staff then analyzes the root causes of property deterioration, provides guidance, and holds PHAs accountable for completing Recovery Agreements. In addition, OFO staff assists PHAs with improving their financial outcomes and prevents PHAs from becoming insolvent by performing financial reviews and conducting accounting training. Lastly, OFO supports PHAs in responding to and recovering from natural disasters and other emergency events.

The Office of Native American Programs (ONAP)

On December 6, 2023, President Biden signed Executive Order 14112, which reforms how the Federal Government funds and supports Tribal Nations. It also directs all Federal Agencies to live up to the Federal Government's trust and treaty responsibilities. ONAP is responsible for carrying out the trust and treaty responsibilities for housing on behalf of the Federal Government. ONAP's mission is to ensure that safe, decent, and affordable housing is available to Native American, Alaska Native, and Native Hawaiian families; create economic opportunities for Tribes and their residents in assisted housing; support Tribes' community development activities; and ensure fiscal integrity in the operation of the programs.

ONAP administers 17 programs dedicated to American Indian and Alaska Native communities and three programs dedicated to Native Hawaiians residing in Hawaii. ONAP staff are also responsible for overseeing and directing the development of three distinctive IT systems. Over the past few years, the number of grant programs has grown materially. Each of these programs have their own unique reporting requirements, grants administration demands, and monitoring staffing needs. The longer-term strategy is for ONAP to increase the percentage of grantees monitored each year to minimize risks to the program.

Each year, ONAP guarantees between 1,000 and 4,000 mortgage loans. ONAP's staff reviews each loan to ensure compliance with program statutes, regulations, and guidelines. They also monitor lender compliance with underwriting rules and other requirements, as well as lenders' general performance. These critical activities protect the Federal guarantee and make it possible for the loans to be sold on the secondary market, which helps ensure continued access to mortgage capital in Indian Country.

In accordance with President Biden's Memorandum on Strengthening Nation-to-Nation Relations and under the direction of Secretary Fudge, ONAP has launched the Department's first Tribal Intergovernmental Advisory Committee (TIAC), which held its inaugural meetings in 2023. ONAP has also established the Department's Tribal Consultation Plan of Action, which calls for deeper engagement with Tribes. ONAP also serves on the White House Council on Native American Affairs.

The Office of Public Housing and Voucher Programs (OPHVP)

OPHVP supports the Administration's priority to strengthen and broaden the Federal housing safety net for people in need. OPHVP administers the Housing Choice Voucher (HCV) and Public Housing programs, with combined budgets greater than \$35 billion, and is responsible for distributing over \$3 billion per month to PHAs, which ensures over 3 million families are housed in decent, safe, and affordable units. OPHVP is also responsible for the development and management of HCV and public housing policy (including energy policy, management and operations, and public housing operating funding).

OPHVP's staff will support the HCV account, which will sustain approximately 20,000 new incremental vouchers and special fees. The allocation for the incremental vouchers will positively impact rural, suburban, and urban areas with extremely low-income and very low-income renter households. OPHVP staff also support the Project-Based Voucher (PBV) program, which has expanded over the past few years, and public housing support initiatives (e.g., providing funding for PHAs at risk of insufficient operating funds). OPHVP in coordination with the Office of the Chief Information Officer will continue to develop and implement major systems: the Enterprise Voucher Management System (eVMS) for HCV and the Public Housing Portal for public housing. Lastly, funding will be used to implement major regulatory initiatives that fundamentally change the programs, such as the Housing Opportunities Through Modernization Act (HOTMA) final rule(s) on income, assets, and PBVs.

### The Office of Public Housing Investments (OPHI)

OPHI helps PHAs develop, operate, and sustain safe and healthy public housing, and to administer a variety of programs that support families and individuals to become self-sufficient. OPHI's staff analyzes and reviews funding applications, provides new guidance and rule changes for expanded program requirements, as well as conducts adequate monitoring and oversight of an estimated 4,000 new grants annually with most requiring multi-year oversight. Moreover, staff strengthens and broadens the Federal housing safety net for people in need and furthers the implementation and operation of self-sufficiency programs designed to advance economic opportunities for residents in public housing. OPHI staff also provide support to Tribes and Tribally Designated Housing Entities and Multifamily Owners participating in the Resident Opportunity and Self-Sufficiency program. These programs, often leveraging local and other Federal resources, connect households to a range of critical services, including wealth-building opportunities, health resources, case management, and broadband internet connections. OPHI staff will support the following program augmentations:

- Continue implementation of Choice Neighborhoods, a critically important initiative for comprehensive neighborhood revitalization,
- Oversee and monitor 139 Moving to Work PHAs, up from 39 agencies in 2021.

### The Real Estate Assessment Center (REAC)

REAC staff supports the expansion of performance evaluation and risk assessment capabilities as described in the Operational Performance Evaluation and Risk Assessment (OPERA) account justification. The expansion includes increasing quality assurance inspectors to perform an increased volume of quality assurance and other types of physical inspections and to conduct research, analysis and evaluation of program outcomes using evidence-based and scientific principles, resulting in real-time inputs to decision makers throughout the Department. The additional staff levels will also provide oversight and monitoring of major business initiatives, including modernizing PIH's IT systems, making improvements to legacy systems, and transitioning external and internal users from the legacy systems to the new systems.

### The Office of Operations (OPS)

OPS staff provide operational support to PIH's five program offices to achieve the Administration's priorities and effectuate the Department's goal to strengthen HUD's internal institutional capacity and efficiency to deliver on its mission. In addition, OPS staff provide the foundational support functions necessary to execute \$43 billion in PIH program resources. OPS supports the following tasks: 1) funds control and execution, 2) compliance oversight, 3) procurement and contract management, 4) cooperative agreements, 5) data analysis, report evaluation and assessment, 6) audit remediation, resolution, and risk reviews, 7) technical assistance oversight, 8) indirect cost rate analysis, and 9) human resources with oversight of approximately 1,500 employees. More specific roles and tasks include on-boarding and hiring actions, training to include professional development programs, travel, technical assistance, correspondence, performance management, and employee labor relations services. Lastly, staff develops and conducts proactive trainings for managers and supervisors with promoting a safe and healthy work environment.

### **Non-Personnel Services (NPS)**

The Budget assumes total funding of \$5.2 million for NPS, which is \$1.8 million less than the total 2024 NPS funding level. The reduced NPS funding level will allow PIH to allocate more resources to PS to sustain and slightly increase its level of FTEs to support the Agency's commitment to Administration and Departmental goals. Increases/Decreases across NPS categories include:

- The NPS funding level requested provides \$1.9 million for contracts, an overall decrease of \$2.5 million when compared to the 2024 level of \$4.4 million. This level of funding will

provide contract renewals to support advisory services, audits, analysis, risk mitigation, and system automation tools to support PIH's delivery of programs and services to the American people.

- **Contracts Support:** The decrease from 2024 levels reflects the elimination of contract support for improving business processes which will be completed in 2024, therefore these resources are being allocated to support PS in 2025.
- **Travel:** The requested funding level also provides \$2 million in travel, an increase of \$142 thousand from the 2024 level and \$1.1 million in training, an increase of \$564 thousand from the 2024 level. NPS will support HUD's TIAC, paying for travel, meeting space, and other necessary costs of Tribal Committee members and HUD leaders to further Government-wide efforts to strengthen Nation-to-Nation relationships and self-determination in Tribal housing programs across Indian Country and in furtherance of Executive Order 13175. Funding will also enable implementation of HUD's Tribal consultation policy as well as allow PIH to provide leadership and guidance on HUD's Tribal consultation responsibilities and serve on the White House Council on Native American Affairs. Lastly, NPS also funds travel to provide technical assistance and to monitor grantees in addition to ensuring that the quality of affordable housing is safe and decent.
- **Training:** The funding levels support human capital development with trainings designed to enhance communication, technical, and problem-solving skills to close skills gaps and strengthen PIH's workforce.

### **Working Capital Fund (WCF)**

The Budget assumes \$7 million for WCF. In combination with \$11.8 million forward funded in 2024, PIH's total share of 2025 WCF expenses is \$18.8 million. Please see the WCF Congressional Justification for details on current and proposed WCF business lines.

## **KEY OPERATIONAL INITIATIVES**

### **Equity**

Funding will be used to support priorities including diversity, equity and inclusion, staff capacity, data analytics, and automation. This Budget makes an investment toward advancing racial equity and supporting underserved communities and populations in housing and through building communities.

### **Operational Improvements**

The development of an Office of Resident Services is PIH's key operational initiatives.

**Office of Resident Innovations, Services and Engagement:** HUD proposes the creation of an Office of Resident Innovations, Services, and Engagement (RISE) within PIH. RISE will streamline internal and external technical assistance as it relates to the resident experience to improve the quality of life for residents in HUD-assisted housing. This office will ensure that residents' needs and perspectives are integrated throughout all the policies and programs across HUD. It will work in tandem with program offices to centralize resident innovations, services, and engagement across HUD's programs. Additionally, RISE will serve as a centralized place to cultivate expertise on resident related issues, service programs and will become a clearinghouse on best practices related to resident-centered approaches, such as human-centered design and trauma-informed care, staying in place, youth support, positive health outcomes, implementing VAWA, etc. Finally, RISE will engage with residents and resident groups to facilitate understanding of HUD's programs and will translate resident input into policy recommendations, when applicable. This office will not serve as a

repository for resident complaints and will not require specific policy changes of HUD's program offices.

Programs consolidated under the RISE Deputy Assistant Secretary include Resident Opportunity and Self-Sufficiency, Family Self-Sufficiency, and Jobs Plus. In addition, this office will: 1) review relevant policies and programs from the resident lens; 2) provide two-way education between residents and HUD program offices; and 3) promote best practices for resolving resident issues.