

# DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

## Office of Policy Development and Research

### Research and Technology

#### SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Total Resources	Obligations	Outlays
2019 Appropriation	96,000	40,763	-	136,763	115,685	76,000
2020 Appropriation	98,000	21,078	-	119,078	119,091	84,700
2021 President's Budget	94,650	-	-	94,650	94,650	91,000
Change from 2020	(3,350)	(21,078)	-	(24,428)	(24,441)	6,300

#### PROGRAM PURPOSE

The Research and Technology (R&T) account administered by the Office of Policy Development and Research (PD&R) provides fundamental evidence to support the mission of the Department through policy analysis, research, surveys, and program evaluations, as authorized in Title V of the Housing and Urban Development Act of 1970, as amended. R&T funds the research and evaluation function and leverages it through data infrastructure development, information management, and technical assistance. PD&R's work enables the Secretary, Congress, and principal staff at HUD and other agencies to make informed decisions on budget and legislative proposals and strengthen housing and community development policy. In addition to sustaining Core R&T data collection and research dissemination, the request level reflects increased PD&R responsibilities for implementing the Foundations for Evidence-Based Policymaking Act (Evidence Act) enacted in January 2019.

#### BUDGET OVERVIEW

The 2021 President's Budget requests \$94.7 million for R&T, which is \$3.4 million less than the 2020 enacted level. The requested funding level for R&T provides support for three critical functions with growing importance:

- 1) Core R&T includes \$50 million to support the American Housing Survey and other national surveys, knowledge management, data acquisition, research dissemination, building technology and public-private research;
- 2) Research, Evaluation, and Demonstrations includes \$17.7 million to support experimental demonstrations of innovative program concepts, evaluations of current programs, and other policy-focused research; and
- 3) Technical Assistance includes \$27 million to ensure that HUD program partners and practitioners have access to research-informed guidance in effective practice for better accountability, efficiency, and outcomes for all of HUD's programs and customers.

The requested amount for R&T will enable PD&R to more fully address priority research needs by successfully completing evaluations of ongoing program demonstrations, implementing the HUD Research Roadmap more fully, and strengthening systematic evidence-building for the Department as envisioned by the Evidence Act.

## JUSTIFICATION

### Core Research and Technology

Core R&T requires the largest share of R&T resources, totaling \$50 million for 2021, and comprises three components that are each described below: Housing Data Infrastructure; Knowledge Management, Dissemination, and Outreach; and Technical Expertise and Innovation.

**Housing Data Infrastructure:** This largest component of Core R&T supports the surveys that constitute the nation’s housing data infrastructure. Reliable and well-structured housing datasets inform policymakers about homeowner and rental units, HUD-assisted and unassisted populations, and the nature of affordable housing problems. These data sources are utilized widely within the private sector and are essential for an efficient housing market—which in 2018 totaled \$2.7 trillion of real estate, rental, and leasing activity and almost \$750 billion of residential fixed investment, together accounting for 13.4 percent of the national economy. The largest of these data sources is the American Housing Survey (AHS). Information from the biennial AHS covers the nation’s housing stock, housing finance, and characteristics of markets, neighborhoods, and occupants, and supports national, regional, and metropolitan area estimates. Funding will support ongoing development of a Housing Insecurity index and AHS survey module. Other surveys funded under Core R&T provide important data necessary to monitor housing finance and local housing market conditions, including the Survey of Construction (SOC), Survey of Market Absorption of Apartments (SOMA), Manufactured Homes Survey (MHS), and Rental Housing Finance Survey (RHFS).

Housing Data Infrastructure also includes the acquisition of private sector data, and other data such as Low-Income Housing Tax Credit and U.S. Postal Service vacancy data, that are used in PD&R research and for numerous policy-relevant purposes. The Policy Analysis and Research Information System (PARIS) and the Enterprise Geographic Information System (eGIS) support HUD-wide objectives, and the Geocode Service Center (GSC) provides shared services for cross-agency missions.

HUD’s survey activities are overseen by HUD’s Statistical Official.<sup>1</sup> PD&R’s staff expertise leverages the housing data assets by facilitating linkage with administrative data and external surveys and by conducting analysis to provide key program parameters such as income limits and fair market rents and to inform key policy initiatives. PD&R will continue to collaborate with HUD’s Chief Data Officer and federal agencies to develop and utilize administrative data linkages, strengthen privacy protections, generate open data, and support data licensing to leverage the value of public investments.

**Knowledge Management, Dissemination, and Outreach:** PD&R uses this second component of Core R&T to disseminate research to inform evidence-based policy as well as convene stakeholders for shared learning opportunities. Key beneficiaries of knowledge management activities include HUD grantees, program staff, external experts, international entities, and policy makers. Along with formal research reports and the Cityscape journal, several shorter-format periodicals such as U.S. Housing Market Conditions, The Edge, and Evidence Matters make data and research freely accessible to broad audiences. The Comprehensive Housing Market Analyses produced by PD&R economists provide an in-depth look at economic, demographic, and housing inventory trends of specific housing markets to guide builders, lenders, and others. During 2019, there were an average of one million downloads per month from the HUDUSER.gov research portal.

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<sup>1</sup> As required by the Foundations for Evidence-Based Policymaking Act, HUD appointed a Statistical Official, Evaluation Officer, and Chief Data Officer in August 2019. See <https://data.hud.gov/eac.html>.

**Technical Expertise and Innovation:** The third component of Core R&T is the generation of evidence and provision of technical, evidence-based guidance. Housing finance research reduces risk to the FHA fund and supports housing finance reform discussion. The Research Partnerships program complements HUD's direct research efforts by providing matching funds for external researchers—in 2021 including those from Historically Black Colleges and Universities—who present unique research opportunities.

Technical innovation addresses the areas of building technologies and state and local land use practices that are crucial to increasing availability of high-quality affordable housing, as well as disaster preparedness and mitigation issues. Stakeholders for these efforts include HUD program offices, federal agencies, state and local policy makers, researchers and practitioners, and the housing industry. PD&R also is launching innovation award competitions to engage external expertise and incentivize bold solutions to housing policy challenges.

### **Research, Evaluation, and Demonstrations**

R&T funding of \$17.7 million for Research, Evaluation, and Demonstrations will focus on strengthening HUD's programs and policy. PD&R seeks to prioritize these resources 1) to successfully complete multi-year program demonstrations and evaluations, 2) to inform and evaluate existing Departmental initiatives, and 3) to advance strategic evidence-building priorities established in the agency learning agenda, the HUD Research Roadmap.

Consistent with the Evidence Act, during 2020 HUD is developing a new Research Roadmap through an extensive process of consulting with internal and external stakeholders to ensure that the research function is forward-looking, systematic, and well-structured. The 2020 Roadmap provides the framework, articulates core evaluation principles and practices, and identifies critical research questions and data collection needs to guide HUD's evidence-building investments four or more years in the future. HUD's Evaluation Officer has oversight of the development and implementation of annual evaluation plans from the Roadmap as well as periodic assessments of HUD's capacity to develop and use evidence of all types. PD&R will also complete a 2021 Evaluation Plan during 2020.

In addition to priorities established in the Research Roadmap, new areas of research that PD&R is exploring include partnering with other agencies to explore innovative models for the provision of childcare services in support of economic opportunity. Working, low-income households have unique childcare challenges related to non-standard working hours, unstable work schedules, and limited transportation options that might be addressed through more effective local partnerships between housing providers, service providers, and employers. PD&R also plans to collaborate with our federal partners, including the U.S. Interagency Council on Homelessness to identify evidence-building needs related to evictions prevention and a more effective response to unsheltered homelessness.

### **Technical Assistance**

Funding of \$27 million for the Technical Assistance (TA) program will equip HUD's partners and customers with the knowledge, skills, tools, capacity, and systems needed to successfully implement HUD programs and policies and be effective stewards of federal funding. HUD-wide TA will address growing needs related to the massive influx of capital for Opportunity Zones, the implementation of EnVision Centers, and support for removing regulatory barriers to affordable housing. HUD will continue awarding TA funds on a competitive basis through a two-year Community Compass Notice of Funding Availability (NOFA) because it offers a good balance between stability, flexibility, and administrative burden. In addition to the departmental TA in this Research and Technology account, the Community Compass NOFA includes TA funding from several accounts across HUD, including Public Housing Administrative Receivership and Native American Housing Assistance and Self Determination Act (NAHASDA). The assistance will take the form of needs assessment, direct TA, tools and products, training, data analysis, and knowledge management.

**SUMMARY OF RESOURCES BY PROGRAM**

(Dollars in Thousands)

Budget Activity	2019 Budget Authority	2018 Carryover Into 2019	2019 Total Resources	2019 Obligations	2020 Appropriation	2019 Carryover Into 2020	2020 Total Resources	2021 President's Budget
Core R&T	50,000	4,555	54,555	49,472	54,375	5,083	59,458	50,000
Technical Assistance	29,000	28,000	57,000	55,497	29,875	1,503	31,378	27,000
Research, Evaluations, and Demonstrations	17,000	8,208	25,208	10,716	13,750	14,492	28,242	17,650
BJA Pay for Success	-	-	-	-	-	-	-	-
<b>Total</b>	<b>96,000</b>	<b>40,763</b>	<b>136,763</b>	<b>115,685</b>	<b>98,000</b>	<b>21,078</b>	<b>119,078</b>	<b>94,650</b>

**LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS**General Provisions

The 2021 President's Budget re-proposes the following general provision.

- **Unobligated Research Funds:** This provision gives HUD the ability to re-obligate research funds left unexpended at the conclusion of an agreement. (2021 President's Budget, Section 216).

In addition, PD&R's appropriations language allows the Office of Lead Hazard Control and Healthy Homes (OLHCHH) to transfer up to \$2 million of its funds for research into PD&R. This will allow part of the Lead and/or Healthy Homes research funds to be awarded as cooperative agreements through PD&R, allowing those research funds to be awarded in a quicker and more targeted manner. Currently, all Lead research cooperative agreements must be distributed via a Notice of Funding Availability (NOFA), which prevents HUD from partnering with specific researchers on specific projects that could benefit HUD's efforts to end Lead poisoning and reduce housing-related health and safety hazards.

**APPROPRIATIONS LANGUAGE**

The 2021 President's Budget includes proposed changes in the appropriation language listed below. New language is italicized, and language proposed for deletion is bracketed.

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary of Housing and Urban Development under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, and for technical assistance, [~~\$98,000,000~~]*\$94,650,000*, to remain available until September 30, [2021] *2022: Provided*, That with respect to amounts made available under this heading or *transferred under the final proviso*, notwithstanding section 203 of this title, the Secretary may enter into cooperative agreements with philanthropic entities, other Federal agencies, State or local governments and their agencies, Indian tribes, tribally designated housing entities, or colleges or universities for research projects: *Provided further*, That with respect to the previous proviso, such partners to the cooperative agreements must contribute at least a 50 percent match toward the cost of the project: *Provided further*, That for non-competitive agreements entered into in accordance with the previous two provisos, the Secretary of Housing and Urban Development shall comply with section 2(b) of the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282, 31 U.S.C. note) in lieu of compliance with section 102(a)(4)(C) with respect to documentation of award decisions: *Provided further*, *That up to \$2,000,000 of the amounts provided*

*under the heading "Lead Hazard Reduction" for the purposes of conducting research and studies may be transferred to this heading for use in accordance with the previous three provisos for non-competitive agreements [Provided further, That prior to obligation of technical assistance funding, the Secretary shall submit a plan to the House and Senate Committees on Appropriations on how it will allocate funding for this activity at least 30 days prior to obligation: Provided further, That none of the funds provided under this heading may be available for the doctoral dissertation research grant program]. (Department of Housing and Urban Development Appropriations Act, 2020.)*