

HUD ACT  
of 1968

50  
Years

1968 - 2018

50 Years of Promoting  
Economic Opportunity



# NATIONAL TRAINING CONFERENCE

Day 1  
June 18

SECTION 3  
of the Housing and Urban  
Development Act of 1968





# NATIONAL TRAINING CONFERENCE

## HUD's Implementation of Section 3 Departmental Office of Strategic Planning & Management

Tiffany Johnson



Day 1  
June 18, 2018



The Office of Strategic planning and Management (OSPM) is responsible for driving organizational, programmatic and operational change across the department to maximize agency performance. The office facilitates the Department-wide strategic planning process with the Secretary, the senior leadership team, and external stakeholders.

This process includes:

1. Working with Senior Leadership to identify strategic priorities
2. Transformational change initiatives
3. Monitoring key performance measures against established targets.



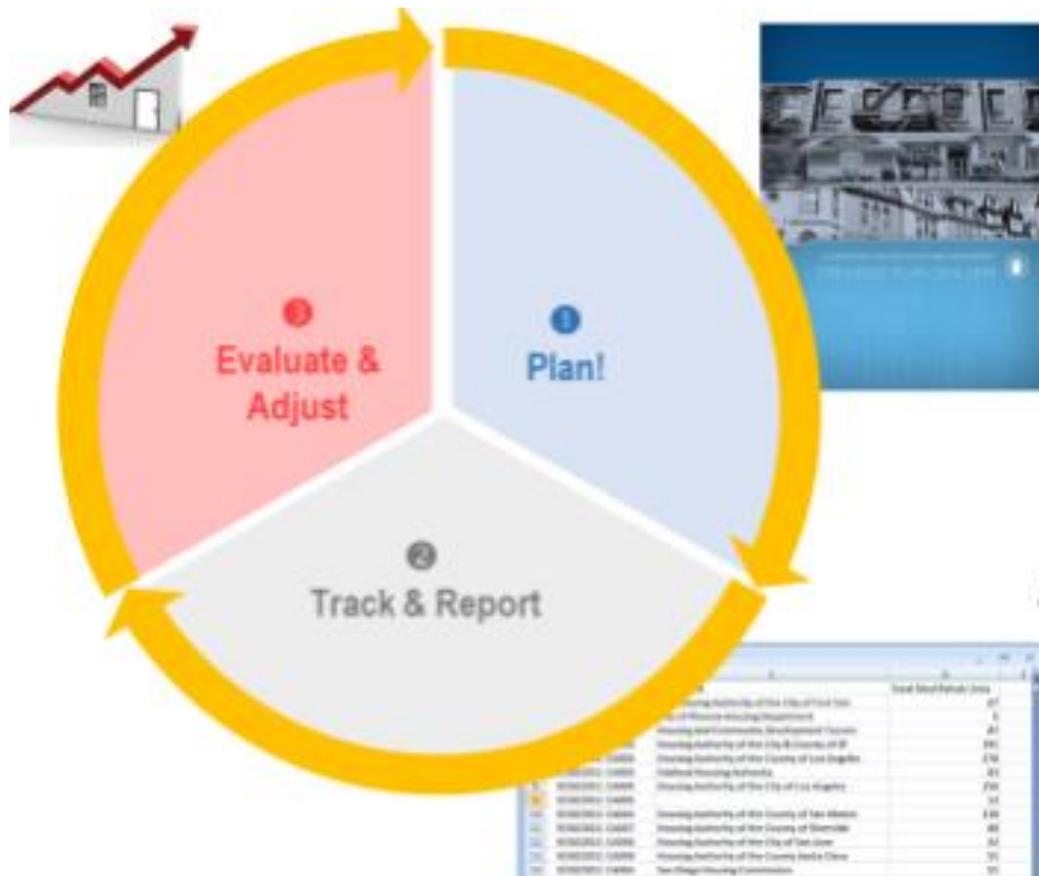
Authorization: GPRA (1993) /GPRAMA (2011) and OMB Guidance (A-11 Circular – Part 6 ) provide HUD with the framework for developing and executing the strategic and annual reporting cycles.



# OSPM's Objective: Connect & Contextualize

## HUD'S IMPLEMENTATION

### PERFORMANCE MANAGEMENT LIFECYCLE



### 1. Planning

Strategic Plan (4-Year Cycle)

Senior Leadership Off-Sites

Annual Performance Plan (APP)

HQ and local operating plans

Budget

### 2. Tracking & Reporting

Annual Performance Report (APR)

Quarterly data collection

BI tool reports

Agency Financial Report (AFR)

Performance.gov

### 3. Evaluate & Adjust

Rx for HUD

Action Items

Senior Team Updates

- Performance Goals
- Agency Priority Goals (APGs)
- Reporting Calendar

# Step 1 Planning: Secretary Carson's Vision

HUD'S  
IMPLEMENTATION



SECTION 3  
of the Housing and Community  
Development Act of 1968

*Continuing to deliver on HUD's core mission*



# Step 1 Planning: Strategic Plan Priority Objectives

HUD'S  
IMPLEMENTATION

*We will strive to focus HUD's efforts towards the holistic development of the individual in order to empower communities*

Economic Self Sufficiency	Protecting Taxpayer Funds (Integrity Task Force)	Streamlining Operations
Envision Centers	Finance Transformation	Current State Assessment
Positive Exits	Grants Consolidation	Deregulatory Agenda
Rental Reform	Acquisitions	Simplification of Programs and Rules and Process Improvement
Rewrite/Rebrand Section 3	Enterprise Risk and Fraud Management	
	Information Technology	



# Step 1 Planning: Strategic Plan Priority Objectives

HUD'S  
IMPLEMENTATION

1

## Economic Self Sufficiency

*Promote Economic Opportunity*

*Enhance Rental Assistance*

*Increase Homeownership and Financial Viability*

*End Homelessness*

*Remove Lead and Other Health Hazards*

2

## Protecting Taxpayers

*Strengthen Fiscal Responsibility and Controls*

3

## Streamlining Operations

*Organize and Deliver Services More Effectively*

*Improve the Way We Work*

*Regulations*



## HUD STRATEGIC PLAN 2018-2022

### PROMOTE ECONOMIC OPPORTUNITY

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

**Agency Priority Goal for FY 2018-19:** 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

Although HUD has long understood that the core work of the agency is centered on housing American families, we must endeavor to connect program participants with supportive services to close education and employment gaps that prevent them from achieving self-sufficiency. HUD will leverage partnerships with other Federal agencies, states, localities, businesses, and non-profits to help HUD-assisted residents find a path to financial stability.

The goal is to create a clear path to self-sufficiency and reduce the need for HUD assistance. HUD must focus on the most at-risk and most prepared households that participate by expanding and aligning existing economic self-sufficiency programs. HUD has achieved results through coordinated efforts with local partners, particularly through case programs and interagency collaboration that focuses on place-based outcomes. The agency will seek to expand this model further by creating community-based Eviction Crisis networks and providing resources to support these networks at the local level. HUD will create low-cost, sustainable models for short- and long-term educational and work outcomes that lead to self-sufficiency, as well as connecting participants to financial and credit literacy programs via private and public partners. We are committed to measuring success based on how many graduate from our programs in a financially stable position, rather than determining success based on how many people we are enrolling in them.

#### Strategies

- **Create Eviction Crisis network** to improve access and delivery of supportive services to American families through public and private partners.
- **Assess and promote economic self-sufficiency programs** including Job Plus, Family Self-Sufficiency, and Section 8 to serve more of the HUD population. HUD will explore options to expand these services to residents of Multifamily properties. HUD will strengthen the existing award and monitoring of Section 8 requirements to encourage employment of assisted and low-income individuals in HUD-funded housing and community development construction projects.
- **Provide targeted outreach on supportive services for education.** Using HUD and Federal Student Aid (FSA) partnerships, HUD will provide targeted outreach to raise awareness about higher education, financial aid, and education navigation services. HUD will continue to promote the use of local data-sharing agreements between school systems and HUD-assisted housing to target services.
- **Leverage partnerships** with other Federal and local agencies, non-profits, and private businesses to increase participation by HUD-assisted households in work and job training programs.

#### LEADING THE OBJECTIVE

##### Objective Lead

David Byrd  
Senior Advisor  
Office of the Secretary

##### Contributing Programs

Family Self-Sufficiency (FSS), Job Plus, Guaranteed Housing

##### External Partners

Department of Labor, Department of Education, Department of Agriculture, Small Business Administration, Department of Commerce



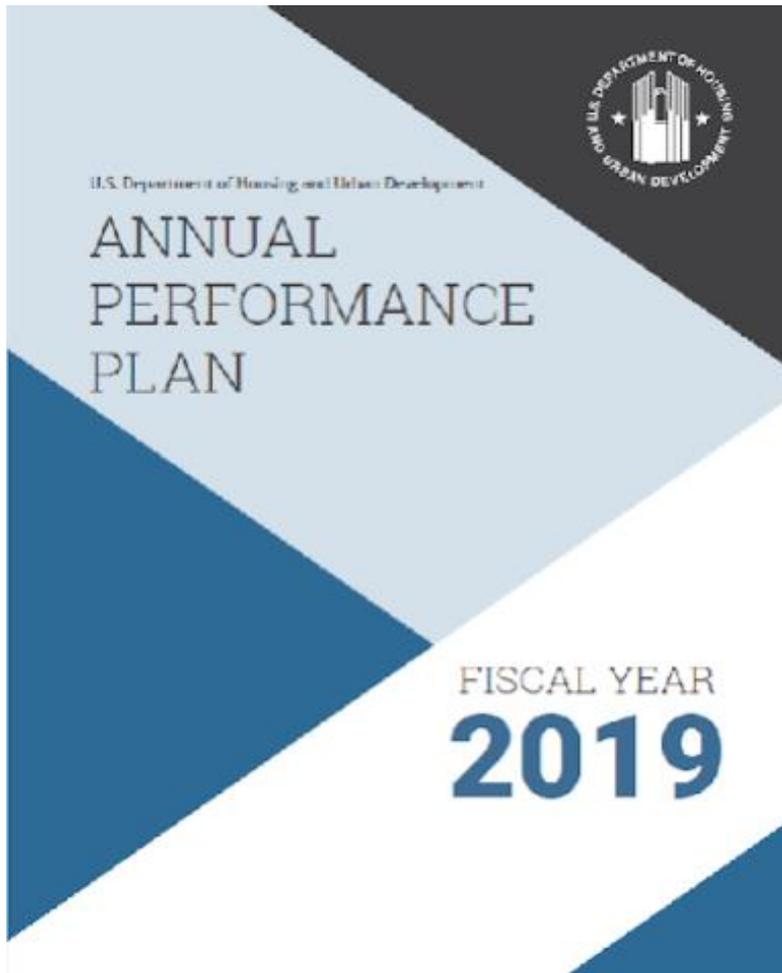
U.S. Department of Housing and Urban Development

# STRATEGIC PLAN

## 2018-2022



# Step 1 Planning: HUD's Annual Performance Plan (APP) 2019



SECTION 3  
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## STRATEGIES AND MAJOR MILESTONES

Strategies	Major Milestones
Create an EnVision Center Network to improve access and delivery of supportive services to American families through public and private partners.	<b>12/31/2017:</b> Launch the EnVision Center Network <b>4/30/2019:</b> Open three physical Envision Centers.
Assess and promote economic self-sufficiency programs including Jobs Plus, Family Self Sufficiency (FSS), and Section 3 to serve more PHAs. Explore options to bring these services to residents of Multifamily properties.	<b>12/31/2018:</b> Publication of a Final Section 3 Rule. <b>2/24/2019:</b> Technical Assistance and Publication of Best Practices for Jobs Plus program.
Provide targeted outreach on supportive services for education. Using HUD and Federal Student Aid (FSA) matched data, HUD will target outreach on higher education, financial aid, and education navigation services. HUD will	<b>3/31/2018:</b> Conduct outreach on HUD's data sharing roadmap to support local

U.S. Department of Housing and Urban Development

Page 12 of HUD's 2019 Annual Performance Plan



# Step 2 Track & Report: HUD's Annual Performance Plan (APP)



FY 2019 Annual Performance Plan

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

FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY19 Target
1,399	2,709	3,587	4,100	4,400

# 2019

**SECTION 3**  
of the Housing and Community  
Development Act of 1968

**OTHER INDICATORS**

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

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

FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY19 Target
47.2%	50.7%	47.0%	50.0%	50.0%

► **Percentage of total dollar amount of construction contracts with Section 3-covered HUD funding that is awarded to Section 3 businesses**

Note: The regulatory target for Section 3 business construction contracts is 10 percent of the total dollar amount of construction contracts. While FY2017 results exceeded that target, it was the only year in the past three that this target was met. The near-term goal of Section 3 is to consistently achieve the existing regulatory target while we put in place the tools to encourage higher levels of performance on Section 3 related contracting.

FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY19 Target
9.5%	8.3%	13.0%	10.0%	10.0%

► **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.

FY15 Actual	FY16 Actual	FY17 Actual	FY18 Target	FY19 Target
5.5%	5.7%	8.0%	7.0%	7.0%

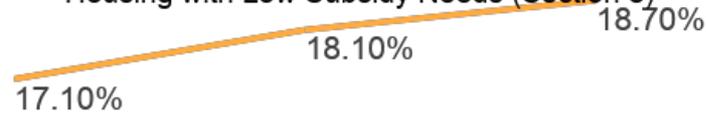
Pages 14-15 of HUD's 2019 Annual Performance Plan



## Step 3 Evaluate & Adjust: Rx for HUD

- # Key Initiatives (in order of priority)
- 1 **Create Envision Center network** to improve access and delivery of supportive services.
- 2 **Assess and promote economic self-sufficiency programs** to serve more PHAs.
- 3 **Provide targeted outreach on supportive services for education.**
- 4 **Leverage partnerships** with other Federal and local agencies, non-profits, and private businesses to increase participation by HUD-assisted households in work and job training programs.
- 5 **Develop a legislative proposal** that modifies the rental calculation system to encourage work and stable family formation, simplifies administration, improves fiscal sustainability, and increases local control and choice.

Percentage of Work-able Households Exiting Assisted Housing with Low Subsidy Needs (Section 8)



Metrics	Target	Actual	As of date
Percentage of work-able households exiting assisted housing with low subsidy needs	Tracking Only	18.7%	9/30/17
Median percentage change in income of individuals who complete economic development programs	Tracking Only	79.9%	9/30/17
Percentage of Section 3 residents hired, of total hiring that occurs because of Section 3 covered HUD funding	Tracking Only	47.0%	9/30/17
Percent of total dollar amount of construction contracts with Section 3-covered HUD funding that is awarded to Section 3 businesses	Tracking Only	13.0%	9/30/17
Percent of total dollar amount of non-construction contracts with Section 3-covered HUD funding that is awarded to Section 3 businesses	Tracking Only	8.00%	9/30/17
Number of self-certified Section 3 businesses in HUD's registry nationwide	Tracking Only	3,587	9/30/17

#	Major Project Milestones and Accomplishments	Date	Status
1	Launch Enhanced Envision Center Application	March 2018	
2	Implement a new technical assistance initiative to help those cities with the largest increases in unsheltered homelessness.	March 2018	
3	Drop Legislative Package and Rollout on Rental Reform	April 2018	
4	Section 3 50 <sup>th</sup> Anniversary Event	June 2018	
5	Launch Envision Center Network/Communities Initiative and Host Envision Center Symposium	June 2018	

#	Decision Point/Flag	Recommendation
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# Step 3 Evaluate & Adjust: Rx for HUD Quarterly Meeting

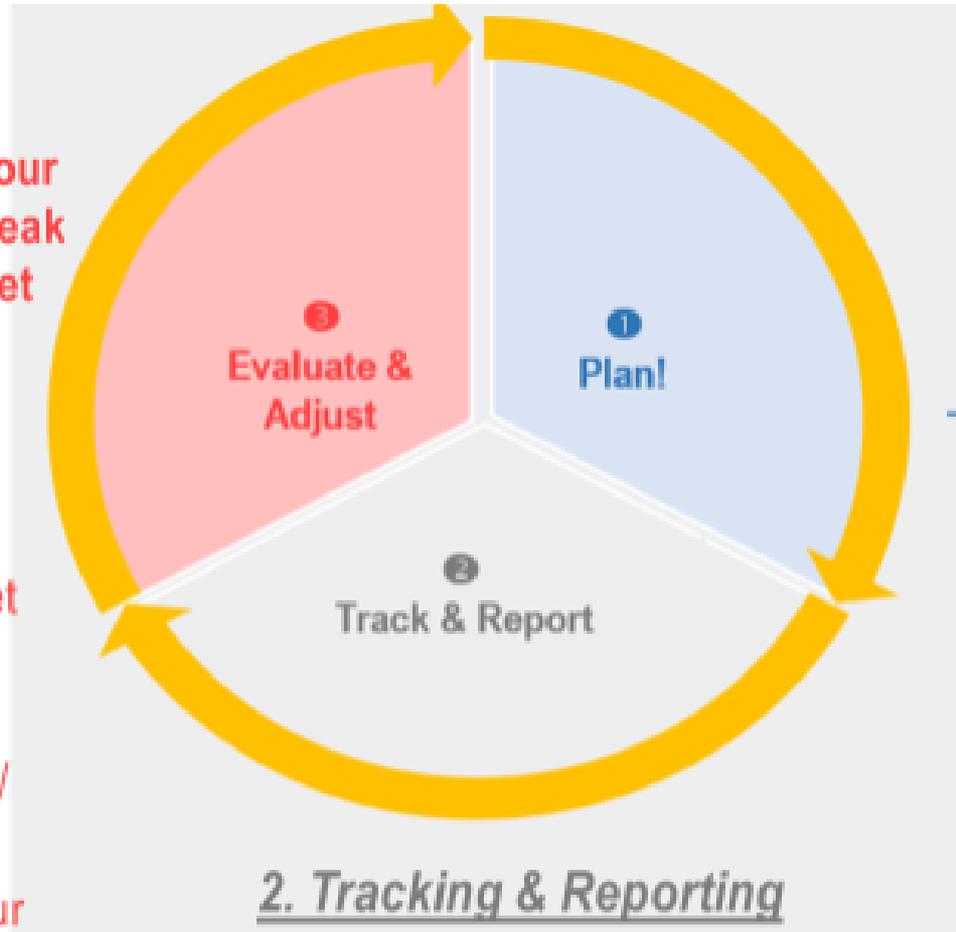


The Quarterly Rx for HUD Meeting allows Senior Leadership to Evaluate Progress on Milestones and Metrics

Creates Culture of Review and Accountability Across the Organization



# Apply the Cycle to *Your* Section 3 Process



## 3. Evaluate & Adjust

Set a time to check your progress and tweak the process to get results

- Are you meeting your desired targets?
- What changes are necessary to meet your target?
- Are you tracking the correct outcomes/metrics?
- Have you reached your milestones? Why not?

## 2. Tracking & Reporting

Create a Data Driven Approach

- What is the cadence for reporting?
- Who is analyzing the data?

## 1. Planning

Come up with a plan

- What are major risk factors?
- What are the resources available? Needs?
- What can be accomplished in the allotted time period?
- What are the metrics, milestones or data that should be captured?