

**POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY  
2018 Summary Statement and Initiatives  
(Dollars in Thousands)**

RESEARCH AND TECHNOLOGY	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2016 Appropriation .....	\$85,000	\$31,110 <sup>a/</sup>	...	\$116,110	\$104,756	\$62,830
2017 Annualized CR .....	85,000	11,740 <sup>b/</sup>	-\$162 <sup>c/</sup>	96,578	96,578	65,300
2018 Request .....	<u>85,000</u>	<u>...</u>	<u>...</u>	<u>85,000</u>	<u>85,000</u>	<u>68,600</u>
Change from 2017 .....	...	-11,740	+162	-11,578	-11,578	+3,300

a/ The carryover includes \$988 thousand of recaptured funds.

b/ The carryover includes \$386 thousand of recaptured funds.

c/ Public Law 114-254 requires a reduction from the fiscal year 2016 enacted budget authority of 0.1901 percent.

**1. Program Purpose and Fiscal Year 2018 Budget Overview**

The fiscal year 2018 President’s Budget requests \$85 million for Research and Technology (R&T). Through R&T, the Office of Policy Development and Research (PD&R) provides fundamental support for the mission of the Department and the policy agenda of the Secretary, through policy analysis, research, surveys, and program evaluations, as authorized in Title V of the Housing and Urban Development Act of 1970 (as amended in 1973), as well as data infrastructure development, information management, and technical assistance. This work enables Congress, the Secretary, and other HUD principal staff to make informed decisions on budget and legislative proposals, and are essential to supporting more effective housing and community development policy.

**2. Request**

The R&T request includes three major categories as follows:

- \$50 million for Core R&T. These funds primarily support the American Housing Survey and other national surveys that are used by policymakers, researchers, and state and local practitioners. Other Core activities include knowledge management (research dissemination) and public-private research partnerships that leverage administrative data.

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- \$10 million for Research, Evaluations, and Demonstrations. In fiscal year 2018, these funds will be dedicated primarily to experimental demonstrations, evaluations, and research related to expansion of Moving to Work to additional public housing agencies including Rent Reform, as well as examining the hazards to a healthy living environment for assisted tenants.
- \$25 million for Technical Assistance (TA). TA resources ensure that HUD program partners and practitioners have access to research-informed guidance in effective practice. These funds will be used for the benefit of all of HUD's programs and a variety of HUD's customers. PD&R's role is to ensure an efficient allocation of these funds to increase the probability that HUD's grantees and other partners succeed at achieving program goals efficiently.

### 3. Justification

#### Core R&T

*Data Infrastructure.* The largest component of Core R&T supports the surveys that constitute the nation's housing data infrastructure. Reliable and well-structured housing datasets are essential for an efficient housing market—which in 2015 contributed \$1.7 trillion to the U.S. gross domestic product.<sup>1</sup> The largest of these is the American Housing Survey (AHS). 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. The newly reengineered survey continues to inform policymakers about both HUD-assisted and unassisted populations and the nature of worsening affordable housing problems. Other surveys funded under Core R&T provide important data on 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), Rental Housing Finance Survey (RHFS). PD&R also acquires other datasets as part of the housing data infrastructure.

These surveys are complemented by PD&R's in-house and other low-cost activities to compile and make available data on program parameters such as Fair Market Rents and Income Limits for housing programs, Comprehensive Housing Affordability Strategy data, Picture of Subsidized Households, Low Income Housing Tax Credit data, and the housing scorecard and housing market reports. The diverse constituents for these data include housing authorities, lenders, industry groups, researchers, and policymakers.

*Knowledge Management, Dissemination, and Outreach.* The second component of Core R&T serves to package evidence and 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 policymakers. 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* and make data and research freely accessible to broad audiences. The

<sup>1</sup> See [https://www.bea.gov/industry/xls/io-annual/GDPbyInd\\_VA\\_1947-2015.xlsx](https://www.bea.gov/industry/xls/io-annual/GDPbyInd_VA_1947-2015.xlsx).

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*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.<sup>2</sup> During 2015, there were an average of 1.5 million downloads per month from HUDUSER.gov.

### Research, Evaluations, & Demonstrations

PD&R's discretionary research and evaluation is guided by the *HUD Research Roadmap*, which PD&R developed through an iterative consulting process to ensure that the research function is forward-looking, systematic, and well-structured. Roadmapping provides this strong framework, articulates core evaluation principles and practices, identifies critical policy questions, and guides HUD's research investments five or more years in the future. To keep the *Roadmap* a living document, PD&R developed *Research Roadmap: 2017 Update* and continues to engage internal and external stakeholders in identifying research questions that will be most important to housing and community development in the future, focusing on questions for which HUD has a comparative advantage.<sup>3</sup>

In fiscal year 2018, Research, Evaluations and Demonstrations funds will be dedicated primarily to experimental demonstrations, evaluations, and research related to expansion of Moving to Work to additional public housing agencies, Rent Reform proposals and examining the hazards to a healthy living environment for assisted tenants. These *Roadmap* priorities will inform policies to advance cost-effectiveness in rental assistance programs and support improved self-sufficiency outcomes. PD&R seeks to capitalize on the federal investment in Moving to Work expansion, as it presents a unique opportunity to learn from changes in existing programs with rigorous experimental demonstrations. The ongoing Family Self-Sufficiency evaluation presents a similar opportunity to test ways to improve economic outcomes for assisted households.

Linking administrative data with survey data and other research datasets is an increasingly important and cost-effective way to address key research and policy questions for the assisted housing population. PD&R is partnering with federal agencies and using administrative linkages to leverage the value of public investments in survey data. Integrated data can fill knowledge gaps and support a comprehensive understanding of outcomes across different social domains and time periods, yet involves minimal cost to the government and no additional burden either to respondents or program participants. PD&R uses both linked data in its research and makes linked data assets available to external researchers with appropriate data licensing protocols. Important aspects of such work in fiscal year 2018 will be partnering with the Census Bureau's Center for Administrative Records Research and Applications (CARRA) and continuing to advance tenant health research with the National Center for Health Statistics.

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<sup>2</sup> See [https://www.huduser.gov/portal/ushmc/chma\\_archive.html](https://www.huduser.gov/portal/ushmc/chma_archive.html)

<sup>3</sup> See <https://www.huduser.gov/portal/pdf/ResearchRoadmap-2017Update.pdf>.

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Other research priorities for fiscal year 2018 include studies of the following:

- Leasing performance and success factors in the Housing Choice Voucher program;
- Impact of Federal Rental Housing Investments in Rural Markets;
- Assessing the extent to which Choice Neighborhoods planning grants and other HUD supported planning grants have served as a catalyst for private investment in local neighborhoods;
- Studies of key education topics including Early Development and Education of HUD-Assisted Children;
- Health studies including the effectiveness of the Lead Safe rule and health care costs for seniors; and
- Studies of housing market efficiency such as Understanding and Reducing Regulatory Barriers and Reducing Housing Preservation Costs through technology.

## Technical Assistance

HUD's technical assistance program equips HUD's customers with the knowledge, skills, tools, capacity, and systems needed to successfully implement HUD programs and policies and be effective stewards of federal funding. Continued investment in this work in fiscal year 2018 will ensure that HUD can continue to support its grantees and state and local partners that carry out much of the housing and community development work in America's communities.

Full funding at the requested level would allow HUD to continue to provide programmatic technical assistance to its grantees. The assistance will take the form of needs assessment, direct TA, tools and products, training, data analysis, and knowledge management. In fiscal year 2018, HUD will use TA funds for activities including:

- TA to assist public housing agencies (PHAs) and project-based owners to implement rent reforms and manage reduced funding levels;
- Training and guidance to HUD grantees to close out grants and programs in an efficient, orderly, and financially responsible manner;
- Training for PHAs, CPD grantees, and Multifamily owners on the Lead-Safe Housing Rule;
- TA to support self-sufficiency and empower HUD's beneficiaries; and
- Targeted TA to address troubled PHAs and local implementation of HUD programs.

Over the last few years of managing TA funds through a coordinated funding source, HUD has developed more efficient and streamlined processes to deploy and manage cross-departmental TA funds. As a result, the Department can obligate and deploy TA funding faster and more effectively, and grantees receive assistance sooner. To further streamline the TA award process and

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facilitate more timely delivery of TA, HUD is planning to significantly revise the Community Compass Notice of Funding Availability (NOFA) to allow for a two-year NOFA in fiscal year 2018. With this change, HUD would be able to award fiscal year 2018 TA funds, and provide the option to apply 2019 TA funds to a strong applicant consistent with HUD priorities on the basis of a single NOFA competition in fiscal year 2018. Any 2019 awards would be at HUD's discretion, and subject to the availability of appropriations and any other authority that may govern the award of the fiscal years 2018 and 2019 funds. In addition to the departmental TA in this Research and Technology account, the Community Compass NOFA includes technical assistance funding from several accounts across HUD including McKinney-Vento, Public Housing Administrative Receivership, and Native American Housing Assistance and Self Determination Act. Any appropriated program TA investments will also be included in the two-year NOFA model. The two-year model will relieve administrative burden on HUD and applicants and ensure more prompt obligation of TA funds to applicants that have competed and demonstrated significant breadth of experience and expertise in assisting HUD grantees. If the TA priorities shift between fiscal years 2018 and 2019 in such a way that requires issuing a new NOFA, HUD commits to issuing a NOFA in fiscal year 2019 that would address any new or significant changes to priorities.

To further and continuously improve the program, HUD is currently in the process of implementing an outcomes measurement framework that will allow the agency to systematically measure whether the technical assistance outcomes were achieved, identify the types of TA that seem to be most effective, and collect feedback on HUD's investments in improving communities' capacity to implement HUD programs and policies. HUD used the fiscal year 2016 Research NOFA to solicit proposals for an assessment of the TA program's success.

### Effectiveness of R&T

R&T-supported activities advance several key policy objectives:

- Improving self-sufficiency outcomes. The R&T request supports HUD's efforts to enhance the self-sufficiency and improve labor market outcomes for assisted households, which are key to helping families increase economic success and using assisted housing resources more efficiently. R&T supports several evaluation efforts that address aspects of self-sufficiency, including evaluations of the Family Self-Sufficiency program and the Resident Opportunity and Self-Sufficiency program, as well as the Jobs Plus Demonstration.
- Creating healthy, lead-safe homes. R&T will support healthy environments and safer housing for children to grow up in. The *Roadmap Update* identifies several healthy homes research priorities, including low-cost evaluations of HUD's smoke-free public housing rule and lead-safe housing rule, and integration of healthy housing questions and housing insecurity questions in the American Housing Survey.

R&T resources serve as a lever to multiply the impact of other assets:

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- R&T research funding gives HUD the ability to leverage the value of public investments for national surveys to answer policy relevant questions. Investments in the data infrastructure give policymakers, program managers and external practitioners situational awareness, some nearly in real time, about what is happenings in programs and housing markets.
- Data and analysis inform implementation of new policies and reforms. For example, HUD is using data to examine both the potential program cost savings and impact on tenants from various rent reform proposals (changes in tenant contributions, rents, utility allowances, etc.).
- Previously completed PD&R research offers enduring value for policy. For example, the Experimental Housing Allowance Program of the 1970s informs the work of the Moving to Work research advisory committee about how rent reforms could provide cost efficiencies and improve household self-sufficiency.<sup>4</sup>
- Data matching. HUD continuously strives to make greater use of existing data to leverage research funding without new data collection. PD&R has successfully partnered to match HUD tenant data with Medicaid utilization records to begin to identify opportunities for healthcare savings, with two major national health surveys to understand how housing assistance influences health, and with Department of Education records to test behaviorally informed approaches to increase student aid application and college enrollment by HUD-assisted residents. Linkage of data from HUD's major Moving to Opportunity demonstration with external data produced important new evidence about how neighborhood quality affects long-run economic success of children. These successful efforts to leverage HUD's data assets through data matching and low-cost experiments are described in the Data Infrastructure section of the *Research Roadmap: 2017 Update*.
- Research Partnerships. This initiative enables PD&R to enter into partnership with private entities to design and execute housing and community development research that they propose. Because proposers must provide at least 50 percent cost share and the research question and approach to answering the question, this investment leverages both private sector ideas as well as significant resources from philanthropic entities, federal, state, and local governmental agencies to conduct research on HUD policy relevant issues that support the Department's research priorities and policy interests. Recent partnerships are also listed in the *Research Roadmap: 2017 Update*.
- Data Licensing. To increase the availability of HUD data assets to researchers, PD&R developed a data licensing agreement in 2014 that provides safeguards for confidential data. During fiscal years 2015 and 2016, PD&R approved 32 data licenses. With no out-of-pocket cost, these agreements leverage substantial amounts of research aligned with HUD's research agenda.

R&T successes are documented in a number of ways:

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<sup>4</sup> See <https://www.huduser.gov/portal/pdredge/pdr-edge-frm-asst-sec-032017.html>

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- The *PD&R Biennial Report FY 2015–2016: Capacity, Research, Impact*<sup>5</sup> describes PD&R’s more recent successes in building an evidence infrastructure that creates and uses data, analysis, and research to inform programs and drives that evidence into policy decisions. The infrastructure includes securing better vehicles for supporting research, such as noncompetitive cooperative agreements through Research Partnerships, learning more from existing data through efforts such as cross agency data matching, and investing in human assets.
- To accompany the *Research Roadmap: 2017 Update*, PD&R is making efforts to better inform stakeholders about the status and impact of research in connection with projects proposed in the Roadmap. These updates will be posted on HUDUSER.gov.

Technical assistance through R&T provided essential support for HUD program effectiveness in fiscal year 2016:

- 762 new TA activities across all 10 HUD regions;
- Training for 32,823 individuals in-person or through self-paced, remote live and recorded trainings, and there were 110,636 viewings of HUD TA training videos;
- The “Lead the Way Financial Management and Governance Curriculum” trained 1,319 PHA staff and board commissioners from 866 PHAs;
- Tribal HUD-VASH trainings for 108 Tribal HUD-VASH grantees’ staff and Department of Veteran’s Affairs Case Managers;
- Jobs Plus TA to HUD’s 24 Jobs Plus grantees, including a training conference, quarterly webinars, and the creation of a tool that will assist with grant implementation, monitoring, and analysis; and
- TA to the East Chicago Housing Authority included 1,380 counseling sessions completed through March 2017, as well as resident outreach and assistance with utility connections and relocations, and data collection and reporting.

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<sup>5</sup> See <https://www.huduser.gov/portal/publications/other/biennial-2015-2016.html> .

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**POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY  
Summary of Resources by Program  
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2016 Budget Authority</u>	<u>2015 Carryover Into 2016</u>	<u>2016 Total Resources</u>	<u>2016 Obligations</u>	<u>2017 Annualized CR</u>	<u>2016 Carryover Into 2017</u>	<u>2017 Total Resources</u>	<u>2018 Request</u>
Core R&T .....	\$50,000	\$9,110	\$59,110	\$57,389	\$49,905	\$2,109	\$52,014	\$50,000
Technical Assistance ..	25,000	22,000	47,000	44,788	24,952	2,210	27,162	25,000
Research, Evaluations, and Demonstrations ...	10,000	...	10,000	2,579	9,981	7,421	17,402	10,000
Capacity Building .....	...	...	...	...	...	...	...	...
Total .....	85,000	31,110	116,110	104,756	84,838	11,740	96,578	85,000



**POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY  
Appropriations Language**

The fiscal year 2018 President's Budget includes the appropriation language listed below.

*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, \$85,000,000, to remain available until September 30, 2019: Provided, That with respect to amounts made available under this heading, notwithstanding section 204 of this title, the Secretary may enter into cooperative agreements with philanthropic entities, other Federal agencies, or State or local governments and their agencies, or colleges or universities for research projects: Provided further, That with respect to the previous proviso, not more than 50 percent of the cost of such projects may come from amounts made available under this heading.*

*Note.—A full-year 2017 Annualized CR for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.*