

HUD Research Roadmap

FY 2014–FY 2018

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PD&R



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Introduction

In recent years, the U.S. Department of Housing and Urban Development (HUD) has worked with Congress to achieve significant improvements in resources available for research and evaluation. Since 2009, the Department has invested \$237 million in improving the evidence base for policymaking, developing better data systems to measure performance, and evaluating existing and new programs to improve efficiency and effectiveness. HUD also has launched several new policy demonstrations that will inform future policymaking in housing and urban development.

In implementing these efforts, the Department has benefited from input and support from members of the academic community, practitioners implementing programs, and policymakers at the federal, state, and local levels. During 2011, HUD instituted a research planning process that builds on this broad outreach and cooperation. In October of that year, the Department began a yearlong conversation to identify the most policy-relevant and timely research questions in the fields of housing and economic development. The dialogue took place throughout the Department, with other federal agencies, and across the country in public listening sessions in offices and conferences and on the Internet and over the telephone. The conversation ultimately included hundreds of people, and HUD recorded nearly 1,000 distinct comments related to the research agenda it should pursue for the next 5 years.

This report—the Research Roadmap (Roadmap)—is a result of that conversation. In the listening sessions and the comments that were submitted, HUD learned about the research needs and ambitions of participants that contribute to a broader research agenda. The Roadmap does not set forth research priorities for the whole field, but rather identifies projects that HUD is uniquely positioned to undertake that will address some of the knowledge gaps cited by those who offered ideas and comments.

HUD asked conversation participants to identify those questions that were critical to HUD's mission and the questions they thought HUD could contribute the most toward answering. This focus on HUD's mission and comparative advantage was sharpened when the process moved back within the Department. Staff winnowed and distilled the questions and comments participants provided, ultimately developing specific projects to address priority research questions during the next 5 years. This list of projects is the core of the Roadmap.

The Roadmap is already influencing the future of research at HUD. HUD proposed numerous Roadmap projects in its fiscal year (FY) 2014 budget request and elements of many Roadmap projects are already under way. The Roadmap, however, is not the final word. In its entirety, the Roadmap is likely to be more ambitious than HUD's research budget will allow. The budget process ultimately will determine what research HUD is able to undertake and when projects are initiated.

Beyond the budget discussion, the nation's housing and communities are always changing. With each passing day, new information and research shift how we understand HUD's programs, their contributions to national well-being, and the menu of opportunities for progress and reform. In the days and years ahead, new challenges and questions will emerge as priorities, and some pressing priorities that motivated the projects in this report may recede in importance. Therefore, this publication does not mark an end to the conversation HUD started in 2011. It instead summarizes the course of research

About the Office of Policy Development and Research

PD&R's mission is to inform policy development and implementation to improve life in American communities through conducting, supporting, and sharing research, surveys, demonstrations, program evaluations, and best practices.

PD&R compiles, analyzes, and disseminates data to support program operations, enable performance management, and inform program policy. PD&R sponsors major surveys to provide crucial intelligence about the operation of housing markets.

PD&R's research and policy studies provide information about policy options and their effects, and make accessible emerging research that can guide practitioners and improve the effectiveness of HUD and HUD's partners.

PD&R's program evaluations provide a crucial form of accountability to the public. Evidence about program outcomes and effects also makes performance measurement a useful tool for managing programs.

PD&R coordinates program demonstrations that rigorously test innovative program models before they are brought to full scale.

PD&R's HUDUSER.org website provides a central portal for disseminating HUD-related data and research; 10.85 million research products were downloaded in fiscal year 2012.

HUD is charting based on the conversation thus far, and, like any strategic document, this Roadmap will need to be revisited.

Along with providing a long-term research agenda, this Roadmap presents the process HUD used to reach this point and some of the lessons learned along the way. Before presenting the Roadmap's research priorities, the rest of this section explains how HUD's research agenda is determined and how research is funded.

Determining HUD's Research Agenda

HUD program offices conduct a wide range of activities that could be considered research in the course of carrying out normal business, planning, and responding to queries from stakeholders. The Office of Policy Development and Research (PD&R), however, is the primary source for data analysis, research, program evaluations and policy studies to inform the development and implementation of programs and policies across the offices of HUD. Congress formally established PD&R in 1973 to provide "research, studies, testing, and demonstrations relating to the missions and programs of the Department."¹ From administration to administration the role of PD&R has varied, as have research agendas and the mix of housing studies, housing technology research, demonstrations, program evaluations, and policy reports the office produces. PD&R typically has taken a lead role in developing the Department's research agenda.

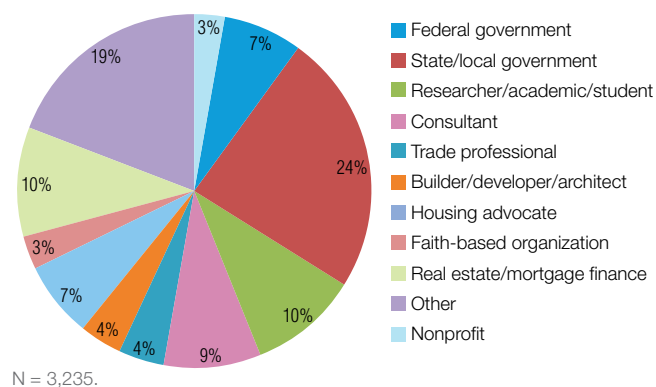
A 2008 report from the National Research Council (NRC), "Rebuilding the Research Capacity at HUD," found that during an era of eroding resources and staff capacity, PD&R's research-agenda setting process had become "too insular" with "too much of a short term focus" (NRC, 2008). In the previous decade, HUD's research agendas had been developed within PD&R in consultation with HUD program offices and senior leadership. The NRC report evaluated PD&R's external, technology, and inhouse research functions, the policy development and program support function, and public-use datasets and dissemination. In part because of resource constraints, the report concluded, PD&R was not "achieving its potential to contribute in a significant way to the ongoing internal and external discourses over the evolution of HUD programs and broader urban development policy."²

¹ Title V of the 1970 Housing and Urban Development Act.

² PD&R research products and dissemination activities have been evaluated several times by surveying users of huduser.org. In 2001, a survey of the most intensive users found that 81 percent of respondents rated PD&R research products as "valuable" (Vreeke et al., 2001). In 2005, 87 percent of all HUD USER website users were highly satisfied or moderately satisfied with the quality of information available on the site. Satisfaction with the quality of information was 94 percent among key users of the listserv groups, and 84 percent of respondents were satisfied with the HUD USER website itself (HUD-PD&R, 2005). In 2009, "high satisfaction" was found among 89.1 percent of the web survey, 94.9 percent of the eList survey, and 96.0 percent of the phone survey respondents (Bansal et al., 2010).

The NRC critique about being insular is significant, given the range of clients that make use of PD&R research products, as found by Bansal, Callahan, and Haley (2010) and displayed in exhibit 1. Although most are from private-sector organizations, nearly one-fourth of users of PD&R research are from state and local governments. In addition, key people with important policy roles and concerns, such as HUD program managers, senior staff, and Congress, were not targeted by this survey research.

Exhibit 1. Organizations Represented by PD&R Clients Who Responded to Three Satisfaction Surveys in 2009



Changing Environment for Research at HUD

The NRC report brought to light the need for increased program evaluation and research and improved data quality at HUD. Rigorous research is important for understanding how well HUD programs are achieving their goals for residents and communities. Evaluation provides a basis both for program improvement and for more effectively communicating the value of the work HUD does.

GAO (2011) identified research independence, transparency and accountability, and policy relevance as three essential elements of a sound federal research and evaluation program. In a similar way, guidance from the Office of Management and Budget (OMB) to federal agencies for preparing the FY 2014 budget continues to highlight the central role of research and evaluation in federal policy:

Agencies should demonstrate the use of evidence throughout their Fiscal Year (FY) 2014 budget submissions. Budget submissions also should include a separate section on agencies' most innovative uses of evidence and evaluation.... Many potential strategies have little immediate cost, and the Budget is more likely to fund requests that demonstrate a commitment to developing and using evidence. The Budget also will allocate limited resources for initiatives to expand the use of evidence, including but not limited to approaches outlined below... (Zients, 2012: 1).

To paraphrase, the approaches that OMB lists are proposing new evaluations, using comparative cost-effectiveness data to allocate resources, infusing evidence into grantmaking, using evidence to inform enforcement, and strengthening agency evaluation capacity.

GAO recently reported that, among federal program managers whose programs had been evaluated, 81 percent reported the evaluations contributed to a moderate or greater extent to their taking direct actions to improve program management or performance (GAO, 2013). It is somewhat paradoxical that the same tightening fiscal environment that increases the need for high-quality program data and evaluation to critical levels also makes it more difficult to establish a robust research program. As the OMB memo notes, however, some relief is available in the form of significant new research opportunities arising from the maturation and evolution of administrative data systems. Research has shifted toward administrative data for three reasons:

1. Administrative records offer much larger sample sizes for full populations, which support more compelling research designs and research into important but relatively rare events.
2. Administrative files often have an inherent longitudinal structure that enables researchers to follow individuals over time and address policy questions.
3. Administrative data are less likely than survey data to suffer from high and rising rates of nonresponse, attrition, and underreporting.

Harnessing the power of these data through web-based information systems, geospatial analysis, and matching with survey data and administrative data from other agencies is the foundation for the next generation of evidence-based policymaking. Many of the projects in the Roadmap seek to test and use these opportunities.

Robust evaluation systems also receive benefits from providing public access to depersonalized data and external researchers' access to confidential microdata on a restricted basis. The federal government is moving systematically toward open data access through the Data.gov portal. Both public-use and restricted access forms of HUD administrative data are featured in Roadmap projects.

A New Approach To Setting the Research Agenda

Today, PD&R's vision is to be the preeminent source for research on housing, cities, and communities in the United States. Simply stating this vision does not dispel the very real challenges the Department faces, nor does it ignore the important role and contribution of public and private partners. Rather, it reflects HUD's commitment to exploit its own comparative advantages while supporting partners in doing the same. Housing and community development research is too complex and too important to permit PD&R, HUD and our partners to attain effective, evidence-based policy in an unplanned or uncoordinated way.

To achieve this vision, HUD set out on a new path for establishing a research agenda. The process of developing the Roadmap differed from recent research agenda processes in three important ways. First, before soliciting proposals for research projects, PD&R issued a call for timely research questions that were relevant to HUD's mission, programs, and policy role. A prioritized list of these questions served to direct project development toward answering the most important of these questions. Second, PD&R initiated an effort to make the process more systematic, iterative, and transparent within the Department. Third, and most important, PD&R included an unprecedented formal effort to reach out to external stakeholders and integrate their perspectives about research priorities before developing project ideas. This last effort, discussed in greater detail in the next sections and in appendix C, started with a public web solicitation for research ideas on huduser.org and a research conference in November 2011; it continued with listening sessions with a variety of constituencies both within and outside the walls of HUD.

Resources for Implementing the Research Agenda

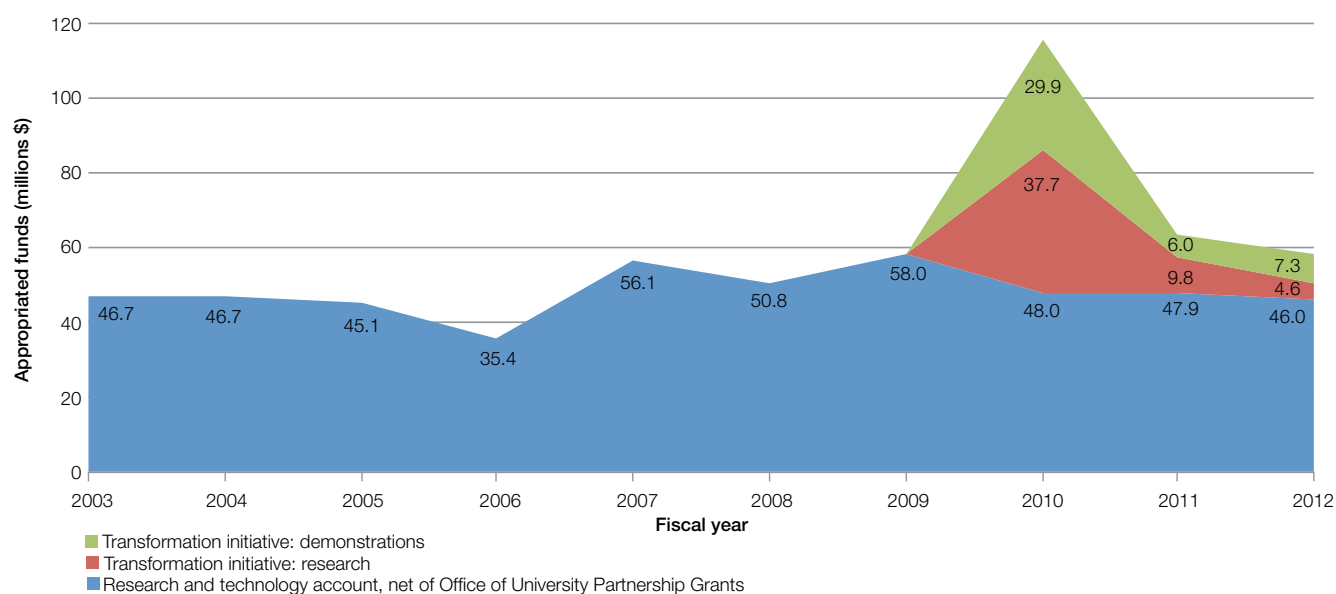
Although the process used to define HUD's research agenda was innovative, HUD's implementation of its research also has been innovative. PD&R draws on three key financial resources to support its research agenda.

Since the creation of PD&R, the Research and Technology (R&T) account³ has been the major source of appropriated dollars for surveys, data, evaluations, and other research. During the past decade, in nominal terms this account has fluctuated between a low of \$28.4 million in FY 2008 and a high of \$48.0 million in FY 2010 (exhibit 2). The American Housing Survey (AHS) is the major recipient of funds from the R&T account. R&T also funds other surveys, such as the Survey of Manufactured Housing, the Survey of Market Absorption, the Housing Starts Survey, and the Rental Housing Finance Survey, which provide key intelligence about a significant portion of the national economy. Many of the projects in the Roadmap use these survey resources. The costs of conducting the AHS and the other surveys have increased over time, which has squeezed PD&R's opportunities to conduct evaluations and other research using R&T resources, as highlighted in the NRC report.

In response to this funding dynamic, the Congress, at the request of HUD, authorized a set-aside of program accounts for the purposes of transforming the Department. The flexible funds could be transferred to the newly established Transformation Initiative (TI) Fund for the purposes of research and evaluation, program demonstrations, technical assistance to program partners, and information technology initiatives. This fund, which in its short existence has seen contributions from program set-asides and direct appropriations, has provided a significant boost to HUD's research efforts. The larger evaluations and demonstrations presented as part of the Roadmap likely would be considered for funding under TI.

The last potential source of funding for the research projects is partnerships with philanthropies, academic institutions and research organizations. In 2012, Congress authorized PD&R to enter into noncompetitive cooperative agreements with potential research partners. This authority allows PD&R to participate in innovative research projects that inform HUD's policies and programs. PD&R Research Partnerships⁴ create leverage for federal investments by requiring a 50-percent cost share from philanthropic organizations, other governmental agencies, or a combination of these entities.

Exhibit 2. Research Funding Available to the Office of Policy Development and Research, FY 2003–FY 2012



³ R&T is a budget line item that receives a specific annual appropriation of funds from Congress.

⁴ http://www.huduser.org/portal/research/pdrrespartnerships_about.html.

HUD also collaborates with philanthropic partners in other ways. The MacArthur Foundation is funding the Research Network on How Housing Matters For Children and Families, supporting 34 competitively awarded research projects since 2008 with federal and philanthropic partners.⁵ The What Works Collaborative, coordinated by the Urban Institute, is deploying philanthropic funds for seed research in a number of policy areas directly related to HUD's mission.⁶ PD&R's Office of International and Philanthropic Innovation is strengthening connections with philanthropic research and innovation to identify and disseminate best practices through learning exchanges with U.S. and international partners.⁷ The funds leveraged in this way provide a potential and welcome complement to HUD resources outlined in this Roadmap. As

significant research findings emerge from both PD&R-funded and philanthropic research initiatives, this public-private collaboration will accelerate progress in improving policy and program effectiveness.

Next Steps

HUD will pursue its research agenda using these sources of funding and means to implement both inhouse and contract research. The Roadmap will guide HUD in navigating the budget process. Using it as a guide, HUD can be assured that projects completed from this list will prove valuable not only to HUD, but also to many of our partners and those affected by HUD programs.

⁵ <http://www.macfound.org/networks/research-network-on-how-housing-matters/details>.

⁶ <http://www.urban.org/what-works-collaborative.cfm>.

⁷ http://www.huduser.org/portal/ipi/about_v2.html.

The Roadmap: Priority Research Projects

At the heart of the Roadmap is the list of priority research projects to be funded and initiated during the next 5 years. These projects were identified through consultation and deliberations with HUD senior leadership and staff and with stakeholder organizations and industry partners. The recommended funding ranges included in the project descriptions reflect the scale and scope of the proposed research. Funding for projects referenced in HUD's FY 2014 budget requests is pending and noted, where appropriate.

Many of these priority projects are large and consist of multiple tasks that can be undertaken sequentially or concurrently. These projects are organized as “phases” of a longer term research effort that will require additional funding. Other projects are identified as inhouse research that would require PD&R staff resources. Whether in house or contracted, the proposals address priority research questions identified in this Roadmap. Appendix E contains more detailed, yet preliminary, descriptions of the summary project proposals in this section. (Projects that were already advanced enough for HUD to request FY 2014 funding, however, are not presented in the appendix.) The proposals in this Roadmap should not be regarded as final because they remain works in progress.

Roadmap priority projects listed in the following paragraphs are organized into four categories that align with the four programmatic goals established in the Department's 2010–2015 Strategic Plan (HUD, 2010: 11):

- Goal 1: Strengthen the nation's housing market to bolster the economy and protect consumers.
- Goal 2: Meet the need for quality affordable rental homes.
- Goal 3: Utilize housing as a platform for improving quality of life.
- Goal 4: Build inclusive and sustainable communities free from discrimination.

A fifth “crosscutting” category covers research topics that do not fit neatly into one of the four strategic goals but cut across one or more goals. A sixth category includes projects that improve or enhance HUD's data infrastructure, reflecting the reality that good data are essential for good research and data enhancements will be required to successfully complete a number of these research projects. The project proposals are listed in alphabetical order by strategic goal.

Homeownership and Housing Finance

Assessing the Effectiveness of Mortgage Modification Protocols, \$500,000 to \$1 million (requested in FY 2014)

Three interrelated studies will inform policy on critical issues affecting the national recovery from the foreclosure crisis. First, an analysis and comparison of eligibility rules and mortgage modification protocols (under the U.S. Department of the Treasury's [Treasury's] Home Affordable Modification Program [HAMP], Federal Housing Administration [FHA]-HAMP, U.S. Department of Agriculture [USDA] Rural Development-HAMP, Principal Reduction Alternative, Second Lien Modification, and proprietary protocols followed by servicers) will identify factors affecting their uptake and effectiveness. Second, alternatives to Net Present Value calculation and their costs and benefits for borrowers, neighborhoods and local governments will be examined. Third, principal reductions (with and without Shared Appreciation Mortgage clauses) will be compared with principal forbearance to investigate the effect of restoring borrowers' equity.

Comprehensive Study of Shared Equity Homeownership, \$1 to \$2 million

Shared equity homeownership (SEH) is a localized approach to affordable homeownership that is not widely understood at the federal level. This research project would address this gap through three tasks. The first task is a survey of lenders to determine the current level of knowledge and activity in and around SEH. The second task is the collection of basic data on the size and scope of SEH programs around the country. This dataset will be of interest to lenders, HUD program administrators, and advocates and foundations. Relying on information acquired from the previous surveys, the third task is a demonstration of best practices that promote shared equity approaches in HUD programs. Together, the three research tasks will provide critical information about barriers to implementation, consumer knowledge and participation, and affordable-housing preservation.

Foreclosure Landscape Study, \$1 to \$2 million

The foreclosure experiences of households depend greatly on whether their states provide a judicial or nonjudicial

foreclosure process, and whether the law provides lenders with recourse for a deficiency after foreclosure. State laws and regulations vary widely and this research project will survey these differences and the growing body of regional literature in this area to understand their effect on households dealing with negative equity and on the loss-mitigation alternatives pursued by lenders in these states. The project will assess feasibility of HUD establishing a regional foreclosure tracking system to inform federal policy and provide the public with additional data resources to track and prevent future foreclosure contagions.

Impact Evaluation of the Pre-Purchase Homeownership Counseling Demonstration, more than \$2 million

In response to the foreclosure crisis, the subsequent tightening of lender underwriting standards, and the desire to mitigate borrower risk, HUD implemented the Pre-Purchase Homeownership Counseling Demonstration and Impact Evaluation to measure to what extent housing counseling for potential homebuyers with mid-range credit scores and lower incomes can mitigate that risk. HUD is working with a contractor, three national lenders, and three national prepurchase counseling intermediaries to design a randomized experiment using a sample of 6,000 prospective low- to moderate- and middle-income first-time homebuyers across 28 U.S. cities. The demonstration will test the effectiveness and impact of two types of prepurchase homeownership counseling on mortgage preparedness, homebuyer outcomes, and loan performance. Implementation of the demonstration and the beginning of the impact evaluation were funded with FY 2011 TI resources. Additional funding is needed to complete the impact evaluation.

Impact of Real Estate Owned Properties on Neighborhoods, \$1 to \$2 million (requested in FY 2014)

Following the wave of mortgage foreclosures, considerable concern exists regarding the large volume of Real Estate Owned (REO) homes and the effect on housing markets and neighborhoods of REO sales and conversions to rental housing. This project will integrate emerging research and collect outcome data about REO portfolios and their effects, with special focus on the FHA portfolio. Results will be integrated into the Neighborhood Stabilization Program (NSP) evaluation framework for tracking both past and future effects. The results will shed light on the relative merits of REO disposition individually through real estate agents to owner occupants of investors versus bulk sales to investors. Funding and executing this research project

may present opportunities for partnerships with philanthropy, universities, and local or nonprofit neighborhood development organizations to pool funds or collaborate on the analysis and research.

Impact of the Foreclosure Crisis on HUD Programs and the Rental Market, \$1 to \$2 million

Changes in the U.S. rental market precipitated by the real estate market crash have significantly affected the operating environment for HUD's Multifamily and Public and Indian Housing (PIH) programs. This project will integrate a retrospective literature review and analysis of HUD program and market data before and after the crash with a forecasting and scenario planning exercise to systematically map out the long-term implications of the real estate bust for HUD's affordable rental housing programs. The results will demonstrate how HUD rental programs are affected by the current foreclosure crisis and offer a set of recommendations for how these programs will fare in the coming years. This study will serve as the basis for a scenario-planning tool that HUD might use to anticipate and mitigate the impact of future booms and busts on its programs.

International Comparative Study of Housing Finance, \$500,000 to \$1 million

Although the recent recession is a unique experience in the United States, similar economic contractions (in terms of loss of gross domestic product, employment, etc.) have occurred internationally during the past 30 years. This survey of international housing finance systems and policies will seek to draw lessons from international experience. An international comparison study PD&R conducted in 2011 focused on the regulatory and institutional framework in European countries based on an International Monetary Fund (IMF)/World Bank survey after the crisis, in which IMF sorted countries into the categories of high homeownership, low ownership, high government interventions, and low government interventions. This research would compare government interventions in high ownership countries by comparing their regulatory frameworks to learn how to reduce government risks from both public and private-sector perspectives.

Nonretention Alternatives to Foreclosure, \$1 to \$2 million

In the wake of the housing bust, short sales of depreciated homes have grown from a rare occurrence to a widely used foreclosure alternative. Short sales in the first quarter of 2012 were up 222 percent from the first quarter of 2009. Short

sales often result in higher sales prices, shorter disposition timelines, shorter periods of vacancy, reduced investor losses, and reduced borrower credit damage than do foreclosures. Past low use has resulted in minimal research on short-sale best practices and their net costs and benefits to borrowers, lenders, insurers, and neighborhoods. This research will attempt to quantify short-sale costs and benefits in four tasks: (1) survey of short-sale practices and laws, (2) evaluation of judicial versus nonjudicial short-sale and other nonretention alternatives to foreclosure outcomes, (3) cost-benefit analysis of short sales in minimizing distressed housing disposition costs, and (4) assessment of governmental role.

Reassessing the Role and Function of FHA, \$1 to \$2 million

FHA's role has evolved greatly in the past decade, which included a housing boom, a financial crisis, and now the recovery. Given FHA's large current role and the negative economic value of the Mutual Mortgage Insurance (MMI) Fund reported in the 2012 actuarial report, FHA's future role should be reassessed. This research will assess, along with other aspects, the effect of resetting FHA loan limits, the tradeoff between soundness and mission that is involved in mortgage eligibility and underwriting changes, and FHA's long-term sustainability. Task 1 of this research will evaluate the methodology used in evaluations, stress tests and fiscal soundness assessments; Task 2 will study FHA's role in mortgage markets to assess the appropriate role/mission and the effect of policy changes such as the resetting of FHA's loan limits; and Task 3 will review FHA policies that are due for a reassessment of impact and risk, such as FHA's criteria for condominium eligibility and the resulting MMI Fund risk exposure.

Reverse Mortgage Study, more than \$2 million

The reverse mortgage sector has undergone tremendous change in the past decade, including significant changes in borrower profiles, product offerings, and choices, and significant structural changes in the primary and secondary segments. In addition, house price declines in the recent recession and delinquent tax and insurance payments have resulted in increased Home Equity Conversion Mortgage (HECM) losses to FHA. Four interrelated studies will inform policy affecting this sector, beginning with an evaluation of FHA's HECM program, because it is the dominant reverse mortgage product; the last HUD evaluation was conducted in 2000 and the new study will provide the evidentiary basis for further changes to the HECM program. This study will create a new dataset by merging HUD administrative data with reverse mortgage counseling

data to analyze borrower choices, profiles, and motivations for taking out a reverse mortgage. A review of the existing research demonstrates that no previous analysis of borrower motivations or borrower financial conditions has ever been conducted. This research will enhance FHA's knowledge of reverse mortgage borrower motivations and characteristics. Findings will inform HECM underwriting guidelines. A survey and analysis of local property taxes and hazard insurance rates will further inform HUD policy on the two greatest drivers of HECM defaults in recent years. A study of incentives for HECM loan originators and correspondents will enable policymakers to understand the drivers of market trends and devise effective policies.

Tenure Choice Over the Household Lifecycle, \$1 to \$2 million

Homeownership is widely associated with asset building, family stability, positive educational outcomes for children, and other desirable outcomes. The housing crisis has resulted in large numbers of homeowners transitioning from homeownership, often with unsustainable mortgages, to rental housing. This study will survey past research on housing tenure to evaluate how well federal policies promote stable communities, asset building, and other desirable characteristics long associated with homeownership for families making the transition to rental housing due to the foreclosure crisis.

Tight Credit Markets, \$500,000 to \$1 million

The availability of housing credit tightened considerably after the housing boom ended (about 2007), yet useful data about the effects of credit tightening on potential homebuyers are quite limited. This study will assess trends in lending over time and changes in the pool of potential homebuyers, such as borrower characteristics and demographics. Credit tightening will also be assessed using announced changes in underwriting standards by the government-sponsored enterprises and FHA.

Voucher Homeownership Program Outcome Evaluation, \$1 to \$2 million

The 2006 Voucher Homeownership Study (Locke et al., 2006) found very low delinquency and foreclosure rates in the Voucher Homeownership (VHO) program. Of the 206 public housing agencies (PHAs) surveyed in December 2005, there were only 10 foreclosures and 30 mortgages in default or delinquency among more than 3,400 home purchases. As Housing Assistance Payments for the first program participants will soon end, this study will track VHO homeownership outcomes through the housing crisis. Stable homeownership would be evidence

of a strategy for successfully graduating households from the Housing Choice Voucher (HCV) program to achieve long-term self-sufficiency.

What Do We Know About Vacancy? Review of Housing Inventory and Vacancy Statistics, \$500,000 to \$1 million

This project contains two somewhat distinct tasks. The first task will be to perform a review of recent literature and data methods to determine how vacancy data, both public and private, are obtained, reported, and interpreted. The second task will be to analyze how existing data on the housing stock, and vacant units in particular, could have helped our understanding of the housing bubble. This research will enhance HUD's ability to interpret market trends for policy development and research, and it will provide departmental guidance on interpreting census and noncensus housing inventory and vacancy data in the wake of the housing crisis.

Affordable Rental Housing

Analysis of Rent Level Measurement in Rental Housing, \$500,000 to \$1 million

Rental integrity monitoring (RIM) reviews have produced substantial reductions of errors in tenant income and rent calculations in public and assisted housing programs, but there is a need to develop and implement a risk-based monitoring system to optimize use of limited staff and resources for this important aspect of program monitoring. This study would use data from the annual Quality Control studies to assess whether PIH can narrow the scope of each RIM review to focus on the high-risk areas. This study would also provide data on the validity of the RIM review samples (which are currently nonrandom). Improper payments could be reduced further with less staff time and resources if HUD could develop a reliable and valid RIM review risk-monitoring model.

Assessing Economies of Scale in PHA Operations, up to \$500,000

This study would examine PHA efforts to combine administrative functions or jurisdictional boundaries, such as consolidating programs into a new PHA (Southern Nevada Regional Housing Authority), establishing consortia (for example, Central Texas Housing Consortium, Erie County PHA

Consortium), jointly contracting inspections for Housing Quality Standards (HQS) or rent reasonableness, or erasing jurisdictional boundaries to eliminate portability (for example, Orange County/Anaheim/Garden Grove). Census and administrative data would be used to examine the effects of regionalization on neighborhood choice and other outcomes such as tenant rent burdens and PHA finances and costs. Future phases of this research could include redeploying the Customer Satisfaction Survey⁸ to measure the effects of consolidation approaches on tenants' assessment of PHA performance and housing quality, and conducting field studies for more detailed analysis.

Assessing Housing Quality in the Housing Choice Voucher Program: Design Phase, up to \$500,000 (requested in FY 2014)

Between 2000 and 2002, HUD conducted an annual survey of a representative sample of Section 8 vouchers at all PHAs. This survey provided a valuable source of independent data on the living conditions of assisted families, as well as on their neighborhoods and experiences with landlords and PHAs, for a modest cost (\$1.2 million per year). PHAs and HUD currently do not have independent information to verify compliance with the HCV program's HQS requirements. The Senate Appropriations Committee identified this lack of information as a major concern and directed HUD to "take meaningful and timely steps to strengthen oversight and quality control of PHA performance in the critical area of inspections." This project will fund design and testing of an updated and revised survey instrument. PHAs can use the results of a fully implemented survey directly to improve the communication, oversight, training, and enforcement of their inspectors (who are often contractors) and HUD can use the results to identify program improvements (for example, landlord outreach, alignment with HOME and other programs for rehabilitation needs, mobility counseling) and to target technical assistance and oversight resources in a cost-effective manner. This design phase will provide a reliable foundation for the Department's subsequent funding requests to implement the validated survey, at an estimated cost of \$2 million.

Assessment of Landlord Behavior in the Housing Choice Voucher Program, more than \$2 million

This study will explore how landlord behavior affects the effectiveness of the HCV program across a range of measures, including voucher success rates and tenant mobility. This study would consider the decisions that housing providers

⁸ See the next section, "Assessing Housing Quality in the Housing Choice Voucher Program."

make about rent levels, whom to lease to, whether to accept vouchers, property management, maintenance/ improvement, and preservation. Tasks include (1) a survey of a sample of participating landlords, (2) research and analysis of the housing markets and neighborhoods of participating landlords and location of units where HCV households lease up, and (3) landlord outreach and housing mobility efforts. This study would provide HUD with information on why landlords choose to accept vouchers and to what extent landlord behavior affects the success of the HCV program. The study will offer a set of recommendations for improving the program and reducing administrative costs for operating the program. The results may have direct implications for increasing landlord participation and resident mobility. Study results could inform policy changes related to rent setting, unit quality, landlord outreach and incentives, HCV marketing, PHA administrative practices, lease requirements and regulatory or statutory reforms.

Comparing Subsidy Costs of Federal Housing Assistance Programs, inhouse research

This study will compare the cost of HUD's tenant-based rental assistance and project-based rental assistance (PBRA) programs. Existing studies arrive at different conclusions because of different cost measures. McClure (1998) found that the cost of Section 8 project-based assistance is 40 percent lower in the long run than Section 8 tenant-based assistance. Shroder and Reiger (2000), however, contended that the cost of Section 8 New Construction/Sub-Rehab projects continue to cost more than Section 8 tenant-based assistance. Shroder and Reiger argued that McClure's conclusion used the wrong measure of cost and the data analysis did not use the appropriate control variables. Since 2002, when GAO issued a report that compared the cost of federal production programs with vouchers, no further research has been conducted, despite better information on financing and rental assistance costs at both the national and local levels. This project will compare costs of project-based assistance with tenant-based assistance across time and various geographies, including metropolitan areas, states, and regions. In addition, data for voucher holders residing in low-income housing tax credit (LIHTC) properties are becoming available. To the extent that LIHTC data are available, this study will also explore subsidy-layering costs. The results will prove useful for rental-reform efforts.

Evaluating the Success of Tenants in Leasing Up With Housing Choice Vouchers, \$1 to \$2 million

HUD's last Success Rate Study (Finkel and Buron, 2001) found that 69 percent of voucher recipients succeeded in "leasing up"

in the HCV program, search times for successful households had increased since 1993 to 83 days on average, and that success rates varied by household size, age of household head, and household composition. This research will repeat the 2001 Success Rate Study to generate valid national estimates of success rates for the HCV program, including special vouchers (nonelderly disabled, Veterans Affairs Supportive Housing, Family Unification Program [FUP], etc.). Researchers will select a representative sample of PHAs and voucher holders and track the outcome of households issued a voucher during the housing search and lease-up process to generate a national success rate. The study will examine factors affecting leasing success such as voucher holder characteristics, PHA screening criteria, housing quality, local vacancy rates, and differences between LIHTC and non-LIHTC properties. Analysis of differing success rates by tenant type could inform policy or program changes such as targeted lease-up assistance or exception rents.

Evaluation of Jobs Plus: Baseline Phase, \$1 to \$2 million (requested in FY 2014)

This funding will complement the implementation of the Jobs Plus Initiative, proposed in FY 2014, to increase employment opportunities and earned income for families residing in public housing. Jobs Plus is a place-based initiative that provides social support for work along with financial incentives to make work pay. Funds will be used for data collection, analysis and a baseline survey at the public housing sites that are selected for participation in the first year of grant awards. The goal will be to provide evidence-based findings, lessons learned and identify operational obstacles that need to be addressed to facilitate a larger scale implementation of the Initiative.

Examining Small PHA Performance, \$1 to \$2 million (requested in FY 2014)

Small PHAs administer a large percentage of the HCV program and almost half of all public housing units, but HUD regulation is less stringent for PHAs that administer less than \$300,000 in HCV program funding or fewer than 400 public housing units. This study would survey a sample of small PHAs to assess their performance levels and reasons for their performance, administrative costs, and challenges. This research is particularly relevant and timely because of the new proposed Small Housing Authority Reform Proposal legislation. Better understanding of the operating environment for small PHAs, which often administer HCV and public housing programs in smaller or more rural jurisdictions, would enable PIH to better allocate field office staff and technical assistance resources and undertake regulatory reforms to reduce administrative burden.

Improving HUD Measures of Housing Cost Inflation: Operating Cost Adjustment Factors, \$500,000 to \$1 million

This proposed research would expand initial work to forecast per-unit costs in the Tenant-Based Rental Assistance program to include an examination of inflation factors used in the public housing and PBRA programs. This first phase would involve a complete study of Operating Cost Adjustment Factors in the PBRA account. Subsequent phases will assess Annual Adjustment Factors and Project Expense Levels. This research will determine whether current measures of housing cost inflation are reflective of actual costs, appropriate for use in the budget process, and meet statutory requirements for the programs they serve. The Department also would attempt to identify a consistent methodology for measuring the change in housing costs, while capturing unit quality, within the same market area because HUD currently uses one of three different inflation factors depending on the assisted housing program involved. Resources for subsequent phases of this work will be requested in future years, with an estimated total cost of \$2 million for all phases.

Leased Housing Tenant Payment Insurance Demonstration: Design Phase, up to \$500,000

Much like mortgage insurance, a leased housing insurance program would cover a portion of a household's rent in the event of acute income shocks resulting from unemployment or health problems. To test the efficacy of this idea, this research would design a demonstration of a new shallow subsidy program of leased housing tenant payment insurance for low-income families and individuals who are leaving or have left housing assistance programs across the federal government and moved to private affordable rental housing. Such a program would complement existing deep rental assistance programs by addressing externalities inherent in rental tenure and current rental assistance programs. This design phase would provide a solid foundation for a demonstration that could be funded and begin in FY 2016.

Moving to Work Demonstration: Baseline Phase, more than \$2 million (requested in FY 2014)

A rigorous evaluation of the policies, implementation, strategies and results of the Moving to Work (MTW) Demonstration is needed to determine the expansion's effect on families, performance, and outcomes. PHAs that are selected would be eligible to implement "enhanced policies" related to rent requirements, time limits, and employment-related conditions on the receipt of assistance. For FY 2014, the Department has proposed

legislative language for MTW expansion that includes a detailed evaluation component with further details on the structure, purpose, and intent of the research.

Project-Based Rental Assistance Transfer Authority Evaluation, \$500,000 to \$1 million (requested in FY 2014)

HUD's PBRA legacy programs include project-based Section 8, Section 202/811 project rental assistance contracts, and other programs. The FY 2012 Consolidated Appropriations Act provided HUD with the authority to transfer PBRA subsidies from currently assisted properties to different properties. This transfer authority is a potentially powerful option to use PBRA as a redevelopment tool while also upgrading the physical and financial viability of the assisted stock overall. The proposed evaluation would study the effect of PBRA transfers on the cost effectiveness of the subsidies and assess changes in the physical and financial condition of the subsidized housing stock.

Rental Assistance Demonstration Evaluation, more than \$2 million (requested in FY 2014)

The Rental Assistance Demonstration (RAD) converts public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance. RAD is designed to facilitate the conversion of HUD public and HUD-assisted properties using private debt and equity to long-term PBRA. This evaluation will help the Department understand whether this approach is sustainable in the long run. The first phase of work is under way to design an instrument that will assess RAD's effect on families who are not subjected to conversion. The proposed funding for will support the completion of the evaluation. As part of this phase, a comparison of the costs of project-based versus tenant-based vouchers is included.

Small Area Fair Market Rent Demonstration, \$1 to \$2 million

Preliminary evidence from the 2011 implementation of Small Area Fair Market Rents (SAFMRs) in the Dallas, Texas metropolitan area reveals slight improvements in unit quality and neighborhood quality for tenants at no additional cost to the government. Although these results are promising and more in depth, contract research is needed over a longer time horizon to fully investigate the ramifications of implementing SAFMRs on a national scale for the HCV program. This demonstration will expand the evaluation of SAFMRs beyond the Dallas metropolitan area and the five local PHAs that implemented SAFMRs as of October 1, 2012 (Chattanooga, Tennessee; Cook

County, Illinois; Laredo, Texas; Long Beach, California; Mamaroneck, New York). Further areas for investigation include migration of tenants in response to SAFMRs, necessary PHA policies and procedures, and effects on PHA administrative and programmatic costs. Additional PHAs will be included in the analysis, with particular emphasis on gathering survey data directly from the selected PHAs, tenants, and landlords to supplement HUD's administrative data.

Housing As a Platform

Demand and Supply of Supportive Housing for Elderly Households, \$1 to \$2 million

The U.S. population of people age 65 and older is expected to double over the next 30 years. HUD's current annual supply of affordable supportive housing is unlikely to meet future demand for older low-income renters with special needs. This project will review demand trends and supportive housing supply options among low-income elderly renters, especially those with chronic conditions and physical limitations, who are more at risk of losing their independence. It will identify major barriers that restrict the supply of affordable supportive housing and identify strategies to address these challenges. Potential external partners may include the U.S. Department of Health & Human Services (HHS) and the Administration on Aging.

Developing a Youth Point-in-Time Count Methodology, \$1 to \$2 million

HUD requires Continuums of Care to participate in a sheltered point-in-time (PIT) count on a single night in late January every year and an unsheltered PIT count every 2 years, at which time, community members seek out people living in places not meant for human habitation (cars, abandoned buildings, parks, etc.). Although the set of methodologies for conducting PIT counts has improved over time, the counts often do a poor job of enumerating the number of unaccompanied homeless youth. Because homeless youth are often found in locations that differ from homeless adults and/or homeless families, different strategies may need to be employed to conduct a PIT count of this population. This research effort would help craft a methodology (or a set of possible methodologies) for developing a way of measuring the scope of the problem of youth homelessness, and thereby set the parameters for how to scale any strategies that purport to end youth homelessness, which would be a substantial contribution toward the goal of the U.S. Interagency Council on Homelessness (USICH) to end family and youth homelessness by 2020.

Early Child Development and School Readiness Services to HUD-Assisted Families, inhouse research

Although interventions in early childhood create the highest returns on investment for very poor children's academic achievement and later life outcomes, reaching very young, at-risk children and connecting them with interventions can be difficult. HUD's housing assistance can be a platform for bringing effective interventions to at-risk infants and toddlers. Improving the life chances of very disadvantaged children in HUD-assisted families would diminish the intergenerational reproduction of poverty. This inhouse research will produce a white paper that synthesizes the literature to identify policy levers to intervene in early child development and educational readiness for the most disadvantaged young families in public and assisted housing, and recommend a program demonstration of cost-effective interventions. A second task will produce a guide for PHAs, assisted housing owners, and a broader set of practitioners summarizing best and promising practices in early childhood intervention.

Effect of Housing Assistance Over Time, \$1 to \$2 million

One of HUD's strategic goals is to use housing as platform to improve and sustain various quality-of-life outcomes. This project will review and summarize existing evidence about the effect of housing assistance over time and identify the outcomes and costs of HUD programs for different population groups. The first task will be to use the AHS to conduct a longitudinal analysis of assisted households, describing lengths of stay, changes in education levels, and changes in income. The second task will be testing hypotheses through the matching of HUD tenant data with local administrative data to observe the interactions of assisted households with public systems over time, such as Temporary Assistance for Needy Families, criminal justice, child welfare, Medicaid, and Medicare. For example, the project will test whether effects are moderated by a participant's age or period of housing assistance receipt or if outcomes depend on intermediate effects, such as changes in family spending patterns.

Ensuring Successful Transitions: Housing and Services for Youth Aging Out of Foster Care, more than \$2 million

A small but growing body of research points to high rates of homelessness among youth who have aged out of the foster care system. Estimates range from 14 percent to almost 30

percent of youth experiencing at least one night of homelessness in the first 1 to 3 years following emancipation. Far greater numbers of these youth teeter between precarious housing and literal homelessness. To end homelessness, effective programmatic initiatives will need to address institutional settings, such as foster care, that feed the homeless assistance system. This study will compare outcomes of youth aging out of the foster care system who receive offers of different packages of housing and services to assist with their transition to independence. Possible interventions to be tested include receipt of a (time limited) voucher through FUP, Critical Time Intervention (which is a 9-month, intensive case management protocol), and usual care (which may be best defined as a loose network of low-dose services such as mentoring, case management, and independent living classes). Outcomes of interest include housing stability, education and training, physical and behavioral health status, and income and earnings.

Evaluation of the Section 811 Project Rental Assistance Demonstration, more than \$2 million (requested in FY 2014)

The Section 811 Project Rental Assistance demonstration provides funding directly to states that demonstrate an integrated healthcare and housing approach to serving people with disabilities. Rather than supporting disability-specific housing developments through conventional Section 811 capital advances, the new program provides rental assistance to units scattered through multifamily developments so people with disabilities can live in the most integrated setting possible and receive the services and support they need in the community. HUD expects this new program to substantially increase the availability of integrated, supportive rental housing units for individuals with disabilities and potentially reduce healthcare costs. As mandated by the Melville Act, this evaluation will describe program results and analyze its effectiveness compared with traditional Section 811 program. This evaluation will be conducted in partnership with the Centers for Medicare and Medicaid Services (CMS).

Homelessness Prevention Demonstration, more than \$2 million (requested in FY 2014)

This project would make a timely investment to extend the knowledge gained from HUD's recent investments in homelessness research and local innovation. The Homeless Families Study funded through the TI in FY 2010 tracks families through 18 months after they are randomly assigned. Many families may still be living in transitional housing or participating in a rapid rehousing program at this point; additional funds would

allow for a followup at 30 or 36 months to more accurately track postprogram outcomes. The Homelessness Prevention and Rapid Re-Housing Program (HPRP) provided initial startup funding for many local homelessness prevention programs, and recent HPRP research has provided some evidence base for successful prevention models. PD&R is exploring with the Office of Community Planning and Development a demonstration of prevention programs, which can be funded under the new Emergency Solutions Grant program, to test some of the most promising models in other parts of the country.

Impact of Providing HUD-Funded Housing Assistance to Ex-Offenders, more than \$2 million

Research has demonstrated that access to stable affordable housing for ex-offenders increases positive outcomes, such as employment rates, and reduces negative outcomes, such as recidivism or homelessness. Local Public Housing Authorities' administrative policies may currently present barriers for ex-offenders in receiving housing assistance or reunifying with their families who are currently receiving housing assistance. These barriers significantly reduce housing opportunities for low-income ex-offenders who could otherwise qualify for housing assistance. This research would seek to understand the effect of providing HUD-funded housing assistance to ex-offenders, optimally using experimental design.

Mixed-Income Communities and Public Safety, inhouse research

HUD's Choice Neighborhoods program aims to transform neighborhoods of concentrated poverty into mixed-income neighborhoods. Effective public safety strategies are a key element of the Choice Neighborhoods program, and HUD requires funding applications to contain a public safety plan. This research project will produce a literature review of the evidence about the relationship between HUD's programs that promote mixed-income neighborhoods and neighborhood safety, and then review the Choice Neighborhoods implementation and preliminary results of the public safety initiatives.

PHA Administrative Policies and Homelessness, \$500,000 to \$1 million

Administrative policies of PHAs have potential to perpetuate homelessness by preventing homeless households from obtaining housing assistance, or create homelessness by evicting households that have few alternatives. Little evidence, however, points to specific administrative policies that are the most problematic for homeless households or research to measure

the effect of relaxing or modifying policies, such as strict screening procedures for criminal background checks, inflexible appointment scheduling, or barring households with a former eviction from a PHA program from receiving assistance. This study would explore the relationship between PHA administrative policies and homelessness through a series of case studies of PHAs that have established innovative eviction prevention efforts. USICH has included this area of research in their recently released National Research Agenda: Priorities for Understanding Our Understanding of Homelessness.

Physical Inspections of Assisted Housing and Residential Asthma Triggers, inhouse research and Office of Healthy Homes funding

Research has established that residential allergens (that is, cockroaches, mice, and mold) and irritants (for example, tobacco smoke) are important asthma triggers, especially among inner city populations. HUD currently requires the periodic physical inspection of public housing or other subsidized housing units. This research will determine the degree to which inspections identify conditions that can trigger asthma and result in the subsequent mitigation of these conditions. Improving housing inspections and followup has the potential to improve the health of assisted residents with asthma by reducing their exposure to key asthma triggers.

Seniors and Services Demonstration: Launch Phase, more than \$2 million (requested in FY 2014)

The funding will build on the research design and evaluation work currently under way to launch a demonstration and evaluation of seniors aging in place with services. The demonstration will implement and evaluate promising models and determine the cost effectiveness of various housing and services interventions that are intended to assist households of advanced ages (primarily above 75, 85, or 95 years) to age in place successfully and thus avoid presumably higher costs of institutionalization. This research also builds on the collaboration between HUD and HHS, including the pending match of HUD's housing data with Medicare and Medicaid data. HUD and HHS are expected to jointly fund and execute the demonstration.

State Olmstead Plans and Assessment of Demand, Available Resources and Needs, up to \$500,000

In the 1999 Olmstead decision, the Supreme Court held that under the Americans with Disabilities Act, individuals with

mental disabilities have the right to remain in the community where they reside rather than in institutions. HUD plays a role in furthering Olmstead implementation by helping people with disabilities access affordable, integrated housing opportunities. This project will help the Department better align its programs and resources to meet the housing needs for people with disabilities resulting from Olmstead implementation. The project will (1) estimate housing needs for people with disabilities resulting from Olmstead implementation, (2) review state enforcement and implementation of Olmstead, and (3) identify HUD resources to meet those needs. This study will be a resource for HUD regional and field staff who might be involved in negotiations on future consent decrees.

Successful Exits From Targeted Housing Assistance Programs for Vulnerable Populations, up to \$500,000

HUD is the primary federal funder of permanent supportive housing for vulnerable populations, and it is critical that there is a mechanism that ensures that a household can leave permanent supportive housing and transition to mainstream housing smoothly to ensure the appropriate use of the existing supply of assisted housing. This study would develop a series of case studies exploring how different communities have created successful strategies to enable people residing in supportive housing, or some other type of housing designed for vulnerable populations, to move on from this type of specialized housing into "mainstream" housing. Discovering and promoting policies and programs that encourage and support this type of "moving up" or graduation to mainstream housing programs ensures that a sufficient supply of permanent supportive housing is available for the households that are most in need of such intensive assistance, without requiring substantial investments in the construction of new units.

Understanding Rapid Rehousing: Models and Outcomes for Homeless Households, more than \$2 million

The historic amount of funding made available to communities nationwide through the HPRP accelerated the adoption of a new intervention strategy called rapid rehousing. Early data available from a handful of communities suggests that the rates of shelter reentry remained very low—up to 12 months after program participation. The low cost associated with this particular intervention strategy increases the appeal of the model, but various programs differ widely across the country. This study seeks to identify the most common program models being implemented under the rubric of a rapid rehousing

intervention and track the outcomes of households served through the various program models. Outcomes to be examined include shelter entry, housing stability, family stability/household composition, and income and earnings.

Sustainable and Inclusive Communities

Achieving Energy-Efficiency Goals in HUD Public and Assisted Housing Through Behavioral Change, \$1 to \$2 million

In pursuit of energy conservation and cost reduction, this study will address the important question of how HUD subsidies affect the energy consumption behavior of owners, landlords and tenants and whether improving information on the benefits of energy efficiency influences household energy use. Expected products include an extensive literature review, an evaluation of grants under the Multifamily Energy Innovation fund, and the development of a Guidebook for PHAs.

Advancing Utility Allowance Modeling for HUD Housing Programs, \$500,000 to \$1 million (requested in FY 2014)

HUD spends approximately \$5 billion on utility subsidies each year, a figure that is greater than necessary because of a lack of reliable data on energy usage needed to effectively manage utility expenses in HUD assisted housing. This project will refine the HUD Utility Schedule Model (HUSM) so the Department can accurately account for energy usage in select housing assistance programs in which tenants pay utility costs. The refined and updated model will further assist HUD in its effort to more effectively disburse funds for utilities that are actually consumed. Significant research tasks include a literature review, a survey of the inventory of additional utility consumption data, a revision of estimating algorithms, an update of HUD's Utility Allowance Guidebook, a restructuring of HUSM for web-based reporting, and a report detailing the work accomplished. The refined and updated model will complement the Utility Cost Data System described under Data Infrastructure projects below.

Analysis of the Economic Impact of Community Development Block Grants Nationwide, inhouse research

Economic development and job creation are part of the justification for public spending on programs such as NSP, energy retrofits, and public housing capital investments. Prospective estimates of economic activity and job creation typically rely on simple multipliers for each dollar spent on a certain type of

activity. How well do the actual results match expectations? An existing study has found that each \$1 of public housing capital improvements and maintenance generates \$2.12 in economic activity. This project would seek to validate that analysis and incorporate comparisons across different HUD funding streams.

Choice Neighborhoods and Education Outcomes, \$500,000 to \$1 million

The Choice Neighborhoods program is conceptually aligned with the U.S. Department of Education's Promise Neighborhoods Initiative, and Choice Neighborhoods grantees are encouraged to complement their housing revitalization investments with investments and policy changes to strengthen schools and improve educational opportunities. The President's budget for FY 2014 proposes the creation of "Promise Zones," which would be targeted for funding by programs such as Choice Neighborhoods and Promise Zones. This project would use HUD data for assisted households in one site (either a Promise Zone or a similar site funded by both programs); match it to school system data on educational outcomes such as attendance, graduation rate, grades, and test scores; and create a treatment group and multiple comparison groups for tracking over time.

Choice Neighborhoods Followup Study, more than \$2 million

Choice Neighborhoods grants aim to transform distressed neighborhoods and public and assisted projects into viable and sustainable mixed-income neighborhoods by linking housing improvements with appropriate services, schools, public assets, transportation, and access to jobs. A strong emphasis is placed on local community planning for access to high-quality educational opportunities, including early childhood education. In 2011, HUD awarded a contract to the Urban Institute for phase 1 of an evaluation of the initial round of Choice Neighborhoods Implementation Grants, which went to Boston, Chicago, New Orleans, San Francisco, and Seattle. This would follow up on that project, to examine household and neighborhood outcomes after completion of the Choice Neighborhoods investments. The Choice Neighborhoods grants to these five sites must be spent by September 2017, so this project would take place from 2017 to 2021.

Comparing Housing Outcomes of Same-Sex and Other Couples, inhouse research

This study builds on previous research on race and income discrimination in the rental housing market and recent studies on same-sex discrimination. It is timely because HUD recently enacted Lesbian, Gay, Bisexual, and Transgender equal access

regulations for housing providers that receive HUD funding or have loans insured by the FHA. The proposed study compares housing outcomes of same-sex couples with married and unmarried opposite-sex couples. Outcomes include housing cost-to-income ratios, homeownership rates, crowding, and building age. Data would come from the American Community Survey (ACS) 2007–2011 Public Use Microdata Sample data. The study also examines differences among state nondiscrimination laws.

Development of a Certified Green Homes Database, inhouse research

The objective of this project is to develop a national database comprising homes that have been rated and have received the certification associated with at least one of the national green rating programs (Leadership in Energy and Environmental Design, ENERGY STAR, National Green Building Standard, or Enterprise Green Communities). This consolidated resource will serve to highlight and document the green building achievements that have been accomplished within the United States. It will also serve efforts to track annual state-by-state trend of certified green homes within the United States. The database will support HUD's efforts of promoting and improving the energy efficiency and sustainability of the nation's homes and neighborhoods. The results will be updated annually and posted online; wherein HUD will serve as the primary authority for disseminating the database nationwide.

Economic Impacts of HUD Block Grant Programs, \$1 to \$2 million

The evaluation of HUD's largest block grant programs for community development—the Community Development Block Grant (CDBG) and HOME Investment Partnerships programs—is challenging, and previous efforts have not been able to clearly specify a model of program impact because of the programs' purposeful flexibility. The CDBG statute authorizes 28 different eligible activities that can be used for many different purposes for different objectives. This study would focus on a small number of sites to identify appropriate outcome measures and specify a model of program impact consistent with local objectives. Focusing on specific sites would also enable the research team to collect information about other funds leveraged by the CDBG activity. An initial design phase would be conducted with inhouse resources.

Expanding Housing Opportunities Through Inclusionary Zoning: Phase II, \$500,000 to \$1 million

Inclusionary zoning (IZ) is a local land use strategy that mandates that residential development must include a fraction of units that are affordable to households with lower incomes. The Phase I study, completed in the spring of 2012, included a literature review that identified gaps in current IZ scholarship, developed a survey instrument to carry out the pilot in two selected sites, provided a preliminary report about the results. Phase II will draw on the strategies and protocols carried out in the pilot to include additional sites. These cases will thoroughly examine a number of factors, which have received little to no research attention to date, that can affect the production of new affordable units and retention of existing units through IZ programs.

Food Access, Location Efficiency, and Public Health Outcomes for HUD-Assisted Residents Living in Food Deserts, inhouse research

A growing, although incomplete, body of research finds an association between food insecurity and obesity, suggesting that hunger and obesity may be two sides of the same coin. Inadequate access to nutritional and affordable food may compound this problem. This research seeks to explore the connection between food deserts—or limited access to good-quality, affordable food—and health outcomes for the public and assisted housing stock. Based on a survey of the existing literature, no cohesive or systematic analysis explores the relationship between access to healthy, affordable food and health outcomes for residents of public housing, housing choice voucher holders, or HUD-assisted elderly residents. In response, this project involves an inquiry into the relationship between food access and health outcomes among HUD-assisted households. It is meant to build on the current project matching HUD's assisted households with the National Health Interview Survey (NHIS) and overlay those data with food desert maps from the USDA's Food Atlas Database.

Housing Search Process of Racial and Ethnic Minorities, \$500,000 to \$1 million

This study will focus on developing knowledge of differential rental housing search patterns by race and ethnicity. A mix of exploratory research techniques will be used to expand the currently limited knowledge regarding the rental housing search methods used by racial and ethnic minorities. The analysis will thoroughly explore the relative importance and implications of this added knowledge for the distribution goals of the HCV program, housing integration strategies in general, and the

conduct of future discrimination testing research. It will also aid in the understanding of existing disparities in housing outcomes.

International Comparisons: Partnership Models for Sustainable and Inclusive Communities, inhouse research, with philanthropic support

The proposed research will involve a comparative analysis of the policies, strategies, and partnership systems of three different nations in implementing sustainable and inclusive communities: Brazil, Germany, and Korea. For the analysis, the Office for International and Philanthropic Innovation will collaborate with nations that have agreed to exchange information about place-based practices closely aligned with HUD Goal 4, such as energy retrofits in public buildings, transit-oriented development, Brownfields adaptation, and affordable housing. This examination will identify the incentives and regulations used at the federal-level and the public and private response at the local level. Finally, this research will identify if/how these programs are stimulating private investment and any enabling financial or institutional systems.

Performance Measurement Tools for Sustainable Communities, inhouse research, with philanthropic support

HUD is embarking on developing ways to help communities balance various goals and determine the most effective and efficient use of their resources in accomplishing them as part of their efforts with the Partnership for Sustainable Communities. Performance measurement is a prerequisite for this process. Numerous projects and initiatives have attempted to provide indicators and guidance for measuring sustainable practices and outcomes, but to date they have not been synthesized in a coherent, accessible way. The purpose of this project is to create a Sustainable Communities Indicator Catalog (SCIC) and accompanying guidebook. These two products will detail a wide range of performance metrics that can be used to evaluate progress toward various sustainable community objectives. The SCIC will be designed with the assumption that it will be available as an online web tool located on *SustainableCommunities.gov*.

PowerSaver Energy Performance Evaluation, inhouse research

Congress appropriated funds in the Consolidated Appropriations Act of 2010 for HUD to create an initiative to spur innovations and overcome barriers to energy efficiency in America's single-family residential sector. The aim of this

initiative, called PowerSaver, is to offer incentives to lenders to provide single-family homeowners with low-cost loans to make energy improvements to their homes (for example, installation of insulation; doors and windows; heating, ventilation, and air-conditioning systems; and solar panels). In the program, homeowners are offered up to \$25,000. This project is an evaluation of the PowerSaver mortgage pilot program. Results will be used to help inform the Department of whether this product is feasible for both borrowers and lenders, and can be scaled up on a national level. This study will involve a literature review; reconnaissance of borrowers, lenders, and service providers; an analysis of the data collected; and a report of the findings.

Survey of Fair Housing Knowledge, \$500,000 to \$1 million

HUD periodically conducts national surveys to determine the extent of public knowledge of fair housing law and awareness of legal remedies for housing discrimination. We will conduct a national survey of current public knowledge of fair housing law and its enforcement but will consider oversampling groups of special interest (for example, rental agents). The survey could be implemented as an add-on to a multitopic national poll, or a contractor could implement it as a standalone survey.

Valuation of Energy Efficiency in Housing: Phase II, \$500,000 to \$1 million

This study of housing valuation is part of a larger effort by HUD to investigate the effect of new and innovative housing technologies on the value of new and existing homes. The researchers will investigate whether technological innovation—as defined through higher performance homes rather than specific technologies or homes whose benefits accrue to anyone but the homeowner or resident—increases the resale value of homes that have adopted them. We also examine the role of information and knowledge transfer has any meaningful effect on the valuation of housing technologies.

Crosscutting

Accelerating Post-Disaster Community Recovery, more than \$2 million

A number of new approaches toward long-term recovery are being tested in response to Hurricane Sandy. Those approaches include a more regional and holistic federal coordination, an emphasis on better planning, and increased access and use of federal data for local program operations. This research will

document those efforts and from that research use lessons learned to develop a mechanism, such as “programs in a box,” that makes it possible for local governments to launch long-term recovery programs more quickly. The long-term benefit of this research is to produce more effective federal guidance and support for community planning before disasters, estimate post-disaster needs more accurately, and roll out disaster recovery to stricken communities more effectively.

Affordable Housing in Rural Communities, inhouse research

The goal of the proposed study is to examine trends in the “naturally occurring,” unsubsidized affordable-housing stock, particularly in rural communities. The report would investigate how ownership of single-family homes by small or aging families in these thin markets contributes to the availability of affordable housing for low- and moderate-income families, and the contribution of such factors to out-migration from rural communities.

Characteristics of HUD-Assisted Households, \$1 to \$2 million

This project will expand and leverage the capabilities of matched data sources to provide detailed information about characteristics of typical HUD-assisted renter households, such as employment, work search, health, educational pursuits, seeking permanent residences, and decisions to move. In addition to providing a broad range of data about characteristics of assisted households, a later phase of this project includes a renewal during FY 2015 and FY 2016 of PD&R’s Multidisciplinary Research Team (MDRT) vehicle for using such data as fully as possible for specific quick-turnaround research and policy studies. The estimated cost of MDRT renewal will total \$1.1 million for both years.

Financing for Manufactured Housing, up to \$500,000

The goal of the project is to expand HUD’s understanding of the changes to the manufactured housing market during the past 10 years, and the role of the multiple factors that have been frequently cited as contributing to the decrease in construction and sales, but cited without analysis and study. Literature review and economic modeling will be used to examine the effect of financing on manufactured housing demand, and to estimate the potential effect of policy changes affecting financing. A systematic review of manufactured home financing will enable HUD to make more informed fiscal and policy decisions about its regulatory role in manufactured housing.

Foreclosures and Effects on Real Estate Markets, inhouse research

Foreclosures create sizeable losses borne by consumers, lenders, property markets, and local governments. This inhouse research project would entail estimating an empirical model that would describe the interaction of foreclosures, prices and investment in the housing market, and the socioeconomic characteristics of the residents. Better understanding how foreclosures affect housing market dynamics will enable more effective resolution of persistent problems from the foreclosure crisis, including the vicious cycle of decline in neighborhoods where many foreclosures have occurred.

Formula Studies for Effective and Flexible Targeting, inhouse research

This project will be conducted in house during FY 2014. Periodic reviews of formulas for allocating formula grant funds are critical for maintaining the effectiveness of some of the largest federal investments over time. This research will include three formula studies. First, the tribal housing needs will be assessed for the Indian Housing Block Grant formula to support negotiated rulemaking with the tribes. Second, HUD will seek to partner with the U.S. Department of the Treasury to examine the allocation of affordable-housing investments among and within states under the LIHTC program. Over the longer term, an assessment of targeting of the HOME block grant program when the pending regulatory changes have taken effect will be needed to validate and improve the program’s ongoing effectiveness.

Identifying Operating Cost Savings From Multifamily Tenant Services, more than \$2 million

This research will systematically identify which services that housing providers provide to assisted tenants serve to reduce the operating costs of assisted multifamily housing, thus reducing federal program costs while benefiting tenants. For example, housing providers who offer counseling or support services to tenants who are heading for eviction could benefit the tenants while also saving providers from the cost of releasing and the physical wear and tear on units during an eviction. The study will begin with a literature review, scan of the industry and additional policy analysis based on these sources, most likely followed by a demonstration or policy experiment to collect primary data. It will identify what types of services could be expected to provide operating cost savings, the property, provider, and service factors that affect the extent of savings, and the extent to which those factors and savings

could be generalized or replicated widely. This information will inform HUD about whether allowing operating funds to pay for specific services is likely to reduce operating costs in specific HUD project-based programs.

Improving Usefulness of PD&R Market Analysis Products, \$1 to \$2 million

As part of comprehensive periodic assessment of PD&R customer satisfaction and how to improve PD&R services and products, this project will conduct a survey of internal and external clients to determine how the field economists' market analysis reports are being used and how the reports, including the quarterly *U.S. Housing Market Conditions*, could be modified to make them even more useful to HUD, market participants and the general public.

Data Infrastructure

Data infrastructure is crucial in supporting HUD's Research and Technology program and the TI. For instance, the R&T budget supports major agenda items, such as the AHS and other large data projects. In a similar way, past TI requests focused on information technology investments as a foundation for reliable data.

Research requires access to data that are reliable and relevant. Ongoing efforts in this area are critically important for carrying out the priority research proposed for the Roadmap. Without good data, good research is impossible; and without good research, it is difficult to draw conclusions about the effect of public policy. Investments in the nation's Housing Research Data Infrastructure (HRDI) funded through the TI, in particular, provide a cost-effective basis to address the priority research questions raised by Roadmap stakeholders. A central strategy for this Roadmap is to increase the range of questions to which HUD's data can be applied to maximize the investment in data collection. This strategy was strongly supported by HUD's stakeholders during Roadmap consultations, and aligns with growing recognition of the importance of business intelligence and "big data."

Data matching between HUD's administrative systems and those of other agencies (whether federal, state or local), for example, provides a key opportunity for leveraging a HUD asset. Major emphasis has been placed on data-matching projects and other data-relevant projects. Matched data provide a foundation for several analyses described in this Roadmap report, and numerous new opportunities for policy-relevant analysis will surely arise during the next few years.

The Roadmap identifies six proposals intended to improve HUD's HRDI and enable researchers to place greater confidence in the Department's data.

American Community Survey Data Matching, inhouse research and up to \$500,000

This project will match HUD tenant data to the ACS, which is the most extensive and comprehensive nationwide survey of household characteristics that provides data about housing cost burden, rent, income, and housing conditions. Collaboration with the Census Bureau makes the cost of matching ACS data minimal. The ACS would take on significantly more value for measuring unmet housing need in geographies as small as counties, cities, and perhaps even neighborhoods, and for assessing how conditions change over time for HUD-assisted households.

American Housing Survey 2015 Redesign, inhouse research

The biennial national AHS is the largest, national housing sample survey in the United States, and represents PD&R's largest investment in housing research. The current longitudinal sample of housing units includes units selected in 1985. In collaboration with the Census Bureau, HUD is examining challenges and opportunities arising from drawing a new sample for the 2015 AHS, including opportunities to enhance the substantive content. Four areas are being investigated through HUD and Census Bureau inhouse analysis, small contracts, and outreach to stakeholders: Sample design, Core question types and instrument design, Rotating topical modules, and Survey output and outreach. Most of this work must be completed during FY 2013.

HUD-HHS Data Matching, up to \$500,000

Two efforts currently under way involve matching HUD-assisted renters in administrative data with health-related data. These low-cost initiatives will greatly enhance knowledge about health status and healthcare use of assisted households, and thereby inform both HUD's efforts to use housing as a platform to improve quality of life and the national policy priority of containing healthcare costs while improving outcomes. HUD is collaborating with the National Center for Health Statistics to match with NHIS data, and with the HHS Assistant Secretary for Policy and Evaluation and an outside contract to match with CMS administrative data.

Master Data and Information Consolidation System

This data infrastructure project is funded with TI Information Technology funds for FYs 2010, 2011 and 2013. The Master Data and Information Consolidation project, which is guided by HUD's Master Data Management plan, and will develop and construct a data system to store and report on tenant- and property-level data from all of HUD's administered housing programs, both subsidized and insured, and on HUD's LIHTC data, which come from a program administered by Treasury. This project begins with the development of a system to receive, validate, and store the tenant and property data received in PD&R's LIHTC data collection. It is important to note that Congress statutorily mandates the LIHTC tenant data collection.

Toward a Comprehensive Rental Housing Finance Survey, more than \$2 million

The Rental Housing Finance Survey of private market multi-family, non-owner-occupied properties was successfully completed in 2012. Expanding the scope of this survey to include all rental units will greatly increase its value to HUD and the broader research community. This effort will expand the survey

to landlords of small rental properties, including single-family properties, to provide data about a major source of private units for the HCV program.

Utility Cost Data System, \$1 to \$2 million

HUD staff is developing a Utility Cost Data System to address the lack of an efficient way to collect and compare utility costs across the public and assisted housing stock and the wider market. One phase of this development will involve collection of utility cost data from PHAs and providers of assisted multi-family housing using the established research mechanisms of HUD's annual Quality Control studies. These data will help support the "Advancing Utility Allowance Modeling for HUD Housing Programs" research project proposed among the foregoing Sustainable and Inclusive Communities entries. A second element would involve collaboration with the U.S. Department of Energy to develop a method of comparing utility usage in HUD-assisted units with usage in housing units more generally. The third element would explore the integration of utility data collection into HUD's administrative systems, beginning with an examination of feasibility, cost effectiveness, and programmatic rationale for the additional information collection.

The Roadmapping Process

The core of the Roadmap is the list of research projects that constitutes HUD's current vision of a long-term research agenda. Because stakeholders informed this vision through an extensive consultation process, it is important to summarize this collaborative process, which is itself worthy of note, given the increasing attention by the Office of Management and Budget, GAO, and other policy organizations to systematic evidence-based policy-making. From the beginning, the Department intended the Roadmap to be developed through an open, transparent process that can be replicated in future years. This section provides an overview of the process and concludes with lessons for future roadmapping efforts. Additional detail about the process is provided in appendix C.

Taking a Participatory Approach

Given the assessment of the National Research Council (NRC, 2008) that HUD's research agenda setting process had become too insular, HUD turned to participatory research concepts to set a new research agenda. GAO (2012) reinforced the importance of participatory input for critical research questions. Evaluation questions, GAO advised, should be constructed to articulate the issues and concerns of program stakeholders about performance and to focus the evaluation so its findings are useful in addressing these concerns. Community-based participatory research evolved in the community health research field during the 1990s.⁹ The participatory approach seeks to advance knowledge, including basic and academically rigorous research, in connection with the interests and needs of the public and practitioners. The participatory approach also recognizes that research agenda-setting must be iterative, as lessons are applied, assessed, and used as a basis for further research. The Roadmap differentiated itself from earlier agenda processes with an unprecedented, well-publicized public involvement strategy to integrate the perspectives of voices outside of PD&R before project selection. This last effort started with a public web solicitation for research ideas on huduser.org and

a research conference in November 2011 and continued with listening sessions to hear from a variety of constituencies both within and outside the walls of HUD.

The Roadmap further differentiated itself from recent research agenda processes in two other important ways. First, in advance of developing research project proposals, there was a call for timely research questions that were relevant to HUD's mission, programs, and policy role. A prioritized list of these questions was then used to direct the project development toward providing answers to the most critical questions for HUD to answer. PD&R staff thought the focus on questions driving research would open the conversation to a wider group of participants and better identify broadly shared priorities. There was concern that public discussions would otherwise become bogged down in technical details that would discourage some participants or would focus on already established research efforts. Second, there was an effort to make the process more transparent to PD&R staff using division-by-division meetings and a web-based survey to solicit ideas and to provide updates as the list of research questions, and eventually projects, narrowed. Even within PD&R, there was a need to expand the conversation.

Internet Outreach (October 2011)

To kick off the Roadmap initiative, in October 2011 PD&R turned to its public website, www.huduser.org. Visitors to the site were asked to respond to two questions:

1. What questions will be important to housing and urban development and community development during the next 5 to 10 years?
2. Where does PD&R have a comparative advantage in responding to these questions?

HUD asked respondents to respond within the context of the four strategic goals,¹⁰ which, as suggested by the presentation of projects in the last section, became the organizing framework for developing the Roadmap itself. Through this channel, PD&R

⁹ The Kellogg Foundation defines community-based participatory research as a "collaborative approach to research that equitably involves all partners in the research process and recognizes the unique strengths that each brings. CBPR begins with a research topic of importance to the community; has the aim of combining knowledge with action and achieving social change to improve health outcomes and eliminate health disparities" (IOM, 2007).

¹⁰ Goal 1: Strengthen the nation's housing market to bolster the economy and protect consumers; Goal 2: Meet the need for quality affordable rental homes; Goal 3: Utilize housing as a platform for improving quality of life; and Goal 4: Build inclusive and sustainable communities free from discrimination (HUD, 2010).

received comments from a variety of organizations, including nonprofits and advocacy groups, municipal governments, state agencies, community development corporations, researchers, students, private firms, HUD staff and individuals without an identified affiliation.

Research Agenda Conference (November 2011)

Building on the input received from the HUD USER comments, PD&R held a Research Agenda Conference in November 2011 for HUD staff and invited academic, advocacy and practitioner partners. Again, the conversation was organized around the four HUD strategic goals and the focus was on the research questions that HUD should pursue rather than the specifics of projects. PD&R staff assembled participants with diverse viewpoints into breakout groups for each strategic goal, and tasked them with discussing important research questions and then selecting a short list of priority research questions. At the end of the conference, HUD staff facilitated electronic voting and participants selected the top research priorities for each of the four strategic goals.¹¹

Listening Sessions (February–May 2012)

In the next phase, PD&R staff used the results and experience collecting research questions from huduser.org and the participants in the research conference to facilitate listening sessions with a wider set of participants.

This phase began with a web survey sent to all PD&R staff asking them to react to the priority research areas identified in the November 2011 conference and to provide their own thoughts on what the research questions driving our agenda should be

and what PD&R's strengths and weaknesses were. The results of the survey were presented to the staff in division-by-division meetings and the additional thoughts of staff members were recorded. The survey and the subsequent discussions greatly increased the number of research questions under consideration.

In mid-February, the PD&R held three separate open listening sessions for HUD program offices, again following and improving on the model used in the previous discussions. PD&R staff scheduled additional meetings with key staff members in program offices to gather a full complement of views from within HUD.

By March, PD&R staff had significant experience facilitating conversations about the future of research at HUD, collecting more than 250 responses. The outreach process moved beyond the walls of HUD and PD&R staff scheduled similar sessions with more than 30 different agencies and organizations, listening to hundreds of individuals in meetings, at conferences and in special Roadmap sessions and webinars. (See appendix C.)

In the end, PD&R held nearly 50 listening sessions. Of these sessions, 16 were held with HUD staff, 11 were held with other federal partners, 21 were organized with nonfederal organizations, and these, in turn, were attended by hundreds of individuals representing dozens of organizations. Additional comments were collected from online sources (exhibit 3).

The external research increased the total number of recorded responses to 950 spanning all of the four HUD strategic goals. Fully 596 of these recorded responses were research questions that could drive project development and the next stage of the process. The remaining comments focused on other aspects of HUD's contribution to research.

Exhibit 3. All Stakeholders' Comments by Strategic Goal and Source of Comment

Venues	Homeownership/ Finance	Rental Housing	Housing As a Platform	Sustainable/ Inclusive Communities	Other/ Crosscutting	Grand Total
Nonfederal session	48	63	38	73	67	289
Conference breakout group	2	52	51	31	51	187
PD&R session	38	46	23	30	54	191
Federal session	18	8	21	20	32	99
PD&R internal survey	26	10	15	10	5	66
HUD session	8	1	19	22	8	58
E-mail	7	0	6	3	12	28
E-mail to HUD USER	0	20	0	0	4	24
Other	0	0	5	2	1	8
Grand Total	147	200	178	191	234	950

¹¹ A summary of the conference outcomes was posted on HUD USER at http://www.huduser.org/portal/about/research_conference_111711.html. A separate research agenda conference (May 16, 2012) focused on design, construction, and technology and used a similar approach. Two breakout sessions focused on green and energy-efficient new construction and renovation of existing housing, and on disaster-response housing and future directions for factory-built housing.

Research Project Development (June–September 2012)

After an initial round of consolidation and editing by PD&R research staff, PD&R's senior staff winnowed down the list of questions to a small number of priority questions. The criteria used to prioritize research questions were the same that listening session participants were asked to consider (see sidebar). A list of 85 priority research questions (with sub-questions) was the result. (See appendix D.)

In July, PD&R's senior staff appointed research team leaders who recruited additional PD&R and program staff members. These teams met in July and August to select their highest priority questions and begin researching what research projects might address them.

By early August, after considering the opportunities for research, the teams submitted a report to Acting Assistant Secretary for PD&R recommending specific research questions for project development. After a review with input from HUD Senior Staff, PD&R leadership approved a final list of questions. Each team was asked to apply the same criteria to prioritize, develop, and justify three to six significant research proposals for consideration by PD&R and HUD senior staff. By the end of August, teams presented these project proposals to PD&R Leadership and HUD Senior Staff.

Criteria Used To Prioritize Research Questions

Comparative Advantage. Research questions that leverage HUD's existing assets (data, staff, or other assets) or existing (or create new) partnerships with other federal agencies, HUD program offices, program partners, or academic or nonprofit institutions or that would develop assets or partnerships with substantial strategic value relative to other institutions.

Policy Relevance. Research questions that directly affect the success of or inform HUD's programs and mission accomplishment in actionable ways.

Timeliness. Research questions that will provide policy guidance while the topics remain salient for stakeholders or that address significant emerging issues or risks in a forward-looking way.

Research Project Selection (September 2012–February 2013)

In early September, the Acting Assistant Secretary for PD&R notified each research development team about which initial proposals had been selected for inclusion in the Roadmap. At the end of month, teams submitted a full, final narrative that contained a description of the selected proposals and provided greater detail and justification in support of the selected proposals. In October, the Acting Assistant Secretary, in consultation with Senior Staff, delivered the final selections of projects for the FY 2014 budget submission and the 5-year Roadmap.

What the Process Accomplished

HUD set out to develop a participatory, question-focused agenda. In a followup review of the Roadmap process, PD&R staff found it had provided significant advantages. The breadth of project ideas, the transparency of the process, and the engagement and interest of stakeholders were all greatly increased. In particular, the initial focus on questions as opposed to projects appeared to have the desired result. Participants inside and outside of HUD came to this process with widely varying backgrounds and preparation and many were without formal research training. Most, however, had questions about the fields of housing and community development and research findings they are familiar with. Thus the focus on questions increased active participation and provided a greater number of relevant research areas to be considered. Internal to the process, focusing initially on research questions also aided the effort to consider, consolidate and integrate such a large number of comments.

Beyond its value to HUD, the Roadmap process appeared to have a catalytic effect in spurring discussions of research. HUD frequently was seen as a “convener” providing a space to discuss research and policy questions. In particular, practitioner and policy organizations used HUD's invitation to participate as an opportunity to hear about research interests and ideas of their colleagues, members and employees. It also provided a general forum for those outside PD&R to engage with the office in a relatively informal way and learn more about the office's activities and staff. In the future it may make sense to formally present the listening sessions as HUD-facilitated research convenings of more general interest to encourage the broader discussion of research and further increase enthusiasm for participation.

Where Does HUD Go From Here?

The process of developing the Roadmap and the research priorities summarized in the report represent PD&R's most intensive and systematic attempt to engage HUD's stakeholders in a conversation about research. From the conversations and comments, HUD learned just how much is expected of it and how significant a challenge it would be to meet the expectations of its stakeholders. The Roadmap, however, also builds on HUD's existing and growing reputation for research. Along with helping chart the most useful course, stakeholders' engagement and the diversity of questions they raised confirmed the Department's current prominent position as a supporter and producer of research that shapes the broad field of housing and community development policy.

In the Roadmap conversations, it became clear that academics increasingly look to HUD as a funding source, a data provider and a channel for research distribution. Beyond academia, HUD has a widely recognized comparative advantage in providing policy relevant housing data both from its own programs and external sources. Further, participants made clear that, among federal agencies and large institutions, HUD's broad program and policy responsibilities make it uniquely capable of funding and implementing nationwide data collection on housing and community development. Some experts suggested HUD should have a role in coordinating and integrating relevant data from the Federal Housing Finance Agency, Consumer Financial Protection Bureau, Treasury, USDA, Bureau of Labor Statistics, and elsewhere. Stakeholders also offered considerable support for current and expanded collaboration with other social services agencies in matching data on households' housing assistance status, health status, and other characteristics that could inform more effective public policy.

Beyond program and survey data, Roadmap participants pointed to HUD's capacity to complete ambitious national policy demonstrations such as the Moving to Opportunity for Fair Housing demonstration. Given the populations the Department serves and the Department's programs, resources, and, above all, nationwide engagement, HUD was considered a critical partner for similar research in the future. HUD is a trusted and valued partner of the research community in undertaking these efforts.

The foundation for the Roadmap at HUD is strong. Although the Roadmap process helped HUD identify its strengths and how to build on them, however, it also pointed to myriad ways the Department needs to improve. In many cases, HUD is

already addressing these issues. For example, many stakeholders were concerned that HUD was soliciting new research directions when they thought they were poorly informed about the research HUD already had under way. Roadmap process participants encouraged HUD to share more about the scope of the projects and research already under way to promote partnerships, knowledge building, and policy development. To improve transparency about HUD's ongoing research and data projects, PD&R produced a biennial report in 2012.

A similar theme was sounded among practitioners and policy organizations that thought the HUD imprimatur is valuable in validating research findings and policy approaches but thought more needs to be done to make the research timely. In response, project development teams were asked to present longer term and multipart projects in phases. This phased research should enable researchers to provide intermediate reports, which, in turn, can inform policy discussions, while also serving to maintain policy interest in the research.

HUD received many questions about policy initiatives such as Moving to Work. Commenters pointed out that, although this effort had great potential to foster innovation, it suffered a lack of an evaluation strategy before implementation. This inadequate provision for an evaluation of MTW clearly has increased the difficulty of identifying actionable findings, which, in turn, has reduced the value of a program intended to provide best practices for the industry and has also made the program unnecessarily controversial. Participants recommended that, in the future, HUD should work with Congress to ensure that the expectation of an evaluation can be built into the process for competitive awards.

Finally, many participants thought that PD&R should focus more on providing cost-benefit analyses of HUD programs. This view was included in the many requests for program evaluations and in the comments that GAO, OMB, and congressional staff provided. Many of the priority Roadmap projects reflect this emphasis.

Thus, developing the Roadmap provided HUD with a better understanding of how it is perceived and how it can improve, and a way forward in achieving its vision to be the preeminent source for research on housing, cities, and communities in the United States. HUD followed the inclusive, deliberative, and labor-intensive process described in the report to achieve this,

and, as a result, the projects prioritized by the Roadmap are policy relevant, timely, and exploit HUD's comparative advantages to make a significant contribution to the fields of housing and community development.

The Roadmap lays out projects to be initiated during the next 5 years. To stay relevant, HUD's research plan will need to be reassessed and updated at frequent intervals. In the future, HUD needs to adopt a more regular engagement strategy for informing its research agenda. It is important to recognize that, despite the substantial success of the Roadmap development process, it was lengthy and labor intensive, requiring a significant investment of time by HUD staff and the Department's stakeholders. Future iterations will have many areas for improvement. Having pushed through the process once, HUD has opportunities to streamline the process and improve

its efficiency and effectiveness to make this participatory agenda-setting common practice. By using the lessons learned developing the Roadmap and maintaining the conversation with its stakeholders, HUD intends to continue to improve the quality and relevancy of its research.

HUD is currently the single largest source of support for housing and community development research in the United States and it is PD&R's vision to be the preeminent source for research on housing, cities, and communities in the country. Achieving this vision requires a robust research plan and adequate support for data analysis, evaluations, research, demonstrations and vehicles to share knowledge with HUD's full spectrum of stakeholders. The Roadmap is HUD's plan for achieving that vision within the constraints of the day.