Overview of the Department of Housing and Urban Development (HUD)

Prepared by HUD’s Office of Policy Development and Research (PD&R), International and Philanthropic Affairs Division (IPAD)

Overview of Presentation

• HUD: Role and Organization
• A Closer Look a HUD Offices and Programming:
  – Public and Indian Housing
  – Multifamily
  – Community Planning & Development
  – Federal Housing Administration
  – Fair Housing and Equal Opportunity
  – Field Policy and Management
HUD—Who We Are

HUD is the primary Department addressing housing and community development needs.

**Mission:** to create strong, sustainable, inclusive communities and quality affordable homes for all.

**History:** Has roots going back to U.S. Housing Act of 1937; founded as cabinet level agency in 1965

**Current Secretary:** Marcia L. Fudge

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**HUD Regional Offices**
HUD Budget and Programming

- FY2020 Budget: $44.1 billion

75% Rental Assistance provides an ongoing stream of funding that makes up the gap between what low-income tenants can afford to pay in rent and the cost of operating housing.

20% Capital Costs allow HUD to partner with communities to develop and repair affordable housing or support economic development activities and infrastructure.

5% Other initiatives include a diverse array of programs, including Fair Housing and Equal Opportunity, Healthy Homes and Lead Hazard Reduction, and service coordination programs, just to name a few.

Office of Public and Indian Housing (PIH)
PIH Offices and Division

• Office of Native American Programs (ONAP)

• Office of Public Housing Programs
  • Approximately 1.2 million households living in public housing units and managed by some 3,300 Public Housing Authorities (PHA)

• Office of Housing Voucher Programs
  • Housing Choice Voucher Program
  • Family Self-sufficiency
  • Family Unification Program (FUP)
  • Homeownership Vouchers

• Office of Capital Improvements
  • Capital Fund

• Office of Urban Revitalization (HOPE VI)

Vouchers with Subpopulation Targeting

• Emergency Housing Vouchers (American Rescue Plan)
  • Homeless;
  • At Risk of Homelessness;
  • Fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking or human trafficking;
  • Recently homeless and for whom providing rental assistance will prevent the family’s homelessness or having high risk of housing instability.

• Foster Youth to Independence ("FYI") Vouchers
  • Serves up to 36 months, for youth under the age of 25 with history of child welfare involvement
  • Includes supportive services
Office of Multifamily Housing

Multifamily Housing Programs

Office of Asset Management and Portfolio Oversight (OAMPO):

Responsible for asset management of HUD-assisted and FHA-insured multifamily properties, counterparty oversight, new capital advances, rental assistance contract renewals, grants for multifamily properties, and other related functions.

- Administers Multifamily rental assistance and grant programs including:
  - Project Based Rental Assistance (PBRA): 1.18M households
  - Section 202 Project Rental Assistance Contracts (202 PRAC): 149,000 households
  - Section 811 Project Rental Assistance Contracts (811 PRAC): 1,100 households
  - Section 811 Project Rental Assistance (811 PRA) grants to state housing finance agencies: 2,300 households
  - Service Coordinators in Multifamily Housing
**Multifamily Housing Programs**

**Office of Production:** Provides direction and oversight for FHA mortgage insurance programs for privately owned multifamily housing properties (5 or more units) including:

- 221(d)(4) New Construction/Substantial Rehabilitation
- 223(f) Refinance/Purchase
- Housing Finance Agency Risk Sharing Program
- 223(a)(7) Refinance

* FY21 Initial Endorsements: $29.4B, including $1.1B Risk Share and $4.1B with LIHTC at over 1,500 properties with over 250,000 units

**Office of Recapitalization (“Recap”):** Supports the preservation and recapitalization of federally-assisted housing and rental assistance

- Rental Assistance Demonstration (RAD) preserves public housing, Mod Rehab and 202 PRAC properties to Project Based Section 8
- Section 236 and pre-1974 Section 202 Direct Loan Preservation
- Mark to Market (M2M)

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**PIH and Multifamily Rental Programs**

- 5.4 million families receive assistance through HUD’s rental programs.
- Rent contribution: in general, 30% of household’s adjusted gross income.
- Three primary categories of programming:
  1. Public Housing
  2. Tenant-Based Rental Assistance (TBRA)
  3. Project-Based Rental Assistance (PBRA)
Office of Community Planning and Development (CPD)

CPD Programs

Formula
- Community Development Block Grant (CDBG)
  - Section 108 Loan Guarantee
  - Disaster Relief Initiative (DR)
- HOME Investment Partnerships
  - National Housing Trust Fund
- Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons With AIDS (HOPWA)

Competitive
- Continuum of Care Homelessness Assistance Program (CoC)
- Housing Opportunities for Persons With AIDS
- Lead Hazard and Healthy Homes – Lead Hazard Control
Community Development Block Grants (CDBG)

- CDBG program created in 1974 to combine “Categorical Programs”
- Approximately $3.5 billion allocated annually by formula to states, counties, and cities
- Principally benefits low-and moderate-income persons
- Grantees have broad discretion over activities: infrastructure, housing repair, and supportive services

Continuum of Care (CoC) Program

- Components include Permanent Housing (Permanent Supportive Housing & Rapid Re-Housing); Transitional Housing; Supportive Services; and Homeless Management Information System (HMIS).
- Funds can be used for pay for acquisition/rehab/new construction; leasing; rental assistance; supportive services; operating; HMIS; and admin.
CoC Subpopulation Targeting

- Continuums of Care can target
  - Chronically Homeless Persons (Not Veterans)
  - Chronically Homeless Persons who are veterans
  - Veterans
  - Chronic Substance Abuse
  - HIV/AIDS
  - Mentally Ill
  - Domestic Violence (includes survivors of human trafficking, sexual assault, stalking, and dating violence)
  - Physical Disability
  - Developmental Disability
  - Other - persons not represented by a listed population (applicants can write in who they plan to serve)

Emergency Solutions Grants

- Street outreach, emergency shelter, homelessness prevention, rapid re-housing, collecting data for the Homeless Management Information System (HMIS); and program administration are all components of ESG.
- Funds can be used for engagement, case management, childcare, employment assistance, legal services, mental health services, transportation, and more.
Federal Housing Administration (FHA)

- **Core mission**: provide access to mortgage credit for worthy, low-wealth, underserved borrowers
  - Largest insurer of mortgages in the world: over 34 million properties since 1934 inception.
  - FHA is a mortgage insurance provider: borrowers pay insurance premiums to cover lender’s risk of default.
    - In event of default, FHA pays a claim to the lender for the unpaid principal balance.
  - Premiums collected and deposited into financing accounts which are used to pay out claims. Self-generated income.
Federal Housing Administration Portfolio

• Single Family:
  • Current portfolio: 7.8 million loans (purchased and refinanced)
  • Insured 44 million loans since 1934

• Multifamily:
  • Current portfolio: 10,500 loans
  • Insured 4.8 million housing units since 1934

• Healthcare (hospitals and nursing homes):
  • Current portfolio: nearly 3,000 loans
  • Insured 2,900 loans between 2009 and 2014

• Housing Counseling
  • 1M+ households counseled per year
  • 200,000+ foreclosures prevented

Government National Mortgage Association
Ginnie Mae

• Mission is to expand funding for mortgages that are insured or guaranteed by other federal agencies.
• When these mortgages are bundled into securities, Ginnie Mae provides a full-faith-and-credit guarantee on these securities, lessening the risk for investors and broadening the market for the securities.
• This attracts investors who otherwise would not invest in government-insured loans.
• Securities composed entirely of government-insured loans: FHA, VA, PIH, USDA RHS.
• Fully self-funding and generate positive net revenue
  • $1.2 billion in revenue
  • $20 million for salary and expenses
Office of Fair Housing and Equal Opportunity (FHEO)

**Mission:** Eliminate housing discrimination, promote economic opportunity, and achieve diverse, inclusive communities.

The laws implemented and enforced by FHEO include:

- The Fair Housing Act
- Title VI of the Civil Rights Act of 1964
- Section 109 of the Housing and Community Development Act of 1974
- Section 504 of the Rehabilitation Act of 1973
- Titles II and III of the Americans with Disabilities Act of 1990
- The Architectural Barriers Act of 1968
- The Age Discrimination Act of 1975
- Title IX of the Education Amendments Act of 1972
FHEO Programming

Programs Run by FHEO

• Fair Housing Assistance Program (FHAP)
• Fair Housing Initiatives Program (FHIP)
• Fair Housing Accessibility FIRST
• National Fair Housing Training Academy
• Limited English Proficiency Initiative

Programs FHEO provides oversight for:

• Requirements For Section 202 Supportive Housing For The Elderly Program
• Requirements For Section 811 Supportive Housing For Persons With Disabilities Program
• Requirements For Rental Assistance Demonstration
• Requirements For Community Development Block Grant (CDBG) Program
• Requirements For Community Development Block Grant – Disaster Recovery (CDBG-DR) And Mitigation (CDBG-MIT) Programs

Other Offices Include:

• Office of Lead Hazard Control and Healthy Homes
• Office of Economic Development
• Office of Policy Development and Research
• Office of Faith-Based and Neighborhood Partnerships
Office of Field Policy and Management (FPM)

FPM

- The regional and field offices communicate priorities and policies of the Secretary and develop community relationships that ensure the success of the Secretary’s initiatives and special projects.
- FPM addresses program delivery issues and determines program impacts. The Office is instrumental in providing operational feedback that influences program design and Departmental policy making.
- Partner offices include:
  - FHEO
  - Faith Based and Neighborhood Partnerships
  - IPAD
  - Lead Hazard Control and Healthy Homes
  - PIH
For More Information:

- HUD Website: [www.hud.gov](http://www.hud.gov)
  - For information on HUD history, budget, programming

- HUD Exchange: [https://www.hudexchange.info/](https://www.hudexchange.info/)
  - For program-specific guidance

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