



# Public and Indian Housing Listening Sessions Summary Report

## Introduction and overview

In late 2022, HUD PIH facilitated a series of “Listening Sessions” to gather input from Public Housing Authorities (PHAs) from across the country. The purpose of these sessions was to encourage discussion around the Housing Choice Voucher (HCV) and the Public Housing programs topics and to elicit feedback from participating PHA representatives. The sessions were designed for PHAs to discuss the types of challenges PHAs are experiencing with leasing-up special purpose vouchers, increasing occupancy in their Public Housing programs, and improving utilization in their Housing Choice Voucher programs. These Listening Sessions are part of a PIH initiative to improve PHA performance and increase access to affordable housing.

Sessions were held on the dates and in the following locations below:

October 25, 2022 – Atlanta GA

December 6, 2022 – Virtual Session for East Coast

October 27, 2022 – Boston MA

December 8, 2022 – Virtual Session for Mid-West

November 15, 2022 – Seattle WA

December 14, 2022 – Virtual Session for West Coast  
and HI

November 17, 2022 – Kansas City, KS

Overall, approximately 190 representatives from PHAs attended a Listening Session. Participants were encouraged to provide their input and share experiences, especially challenges encountered due to the pandemic, and efforts made to address those challenges.

For each topic, a slide presentation covered an introduction to the topic, followed by several discussion questions intended to elicit feedback. This summary provides an overview of each topic presented, along with the comments and observations offered by participants and HUD representatives during discussion.

## Housing Choice Voucher Program Topics

### Housing Choice Voucher Utilization/ Special Purpose Vouchers

The presentation covered the challenges around HCV Utilization. The presenter asked PHAs about ways to improve and increase utilization and to learn how HUD can further support PHAs in this area. HUD expects a PHA to maintain an average utilization at or above 95%, based on its lease-up of Annual Contributions Contract (ACC) units or expenditure of allocated Housing Assistance Payment (HAP) funds for the current Calendar Year. A PHA that has not leased 100% of the vouchers it's authorized to administer in its ACC or has not spent 100% of its HAP funds allocated for the current calendar year is underutilizing its program resources. The presentation asked PHA participants to share best practices that PHAs can duplicate to increase utilization. The session then turned to Payment Standards, noting the recent PIH Notice 2022-30, pointing out that raising the Payment Standards increases the "buying power" of the voucher, thereby increasing the number of higher priced units that are available to families. Another recent PIH Notice 2022-18 outlines ways that PHAs can use administrative fees to help increase voucher lease up and utilization. These uses include providing owner incentive/retention payments, Security Deposit Assistance, Utility Deposit and Arrears Assistance, Application Fees, Holding Fees, and Renter's insurance (if required by the lease).

Property owners are an essential partner for PHAs in administering the HCV program. The presentation discussed a number of methods that PHAs are using to conduct outreach to and engagement with landlords, including briefings and workshops, owner symposia, housing fairs, landlord liaisons, and owner councils. Increasing owner participation in the program can result in more choices for voucher holders to use the voucher. The presentation also noted that HUD has published an HCV Landlord Strategies Guidebook earlier this year.

Administering the Project-Based Voucher (PBV) and the Special Purpose Voucher (SPV) Programs pose specific challenges for PHAs. PHAs can use PBVs to expand housing opportunities for families. The discussion elicited feedback from participants on how PHAs are using PBVs to help create strategies to help increase development of affordable housing. Next, the presentation described how the SPV are used to address the needs of specific populations such as homeless veterans, non-elderly individuals living with disabilities, vouchers aimed at helping to reunite families and assist youth aging out of foster care, and families at risk of homelessness or fleeing domestic violence.

Representatives from PHAs and HUD discussed the following topics related to HCV program utilization.

- **What are the utilization challenges PHAs are facing and the actions PHAs are taking for overcoming these challenges?**
- **Have PHAs been able to use added flexibilities on use of Administrative Fees covered in Notice PIH 2022-18?**
- **What strategies are effective with engaging hesitant landlords? What do PHA's think are biggest concerns for landlords participating in the HCV program? What are effective methods for engaging with landlords?**
- **Utilization and Affordable Housing Supply:** How are some PHAs successfully overcoming that issue? How are some creating strategies to help increase development of affordable housing in their local area?

- **Special Purpose Vouchers and referrals from partner agencies: What are challenges and strategies for success with Special Purpose Vouchers? How do PHAs handle the relationship with VA, DSS, etc. to drive success in getting adequate referrals?**
- **What additional challenges do PHAs have with SPVs? Particularly in terms of getting them leased up, compared to regular HCV vouchers? Is portability more challenging with SPVs? How could HUD help? Do PHAs find that vouchers compete for the same housing? What solutions have agencies come up with to address the concern?**

## Housing Choice Voucher Administrative Fees

Another segment of the Listening Session focused on HCV Administrative Fees to gather input and ideas from PHAs around how reforms could address the challenges that PHAs face and enable them to better achieve HCV program goals. The presentation reviewed the current policies around the formula for calculating administrative fee eligibility, and the perceived challenges facing PHAs with the current formula. These challenges include:

- Formula funding prorations;
- Formula funding eligibility does not reflect program costs today;
- Formula funding eligibility is based on units leased only, and does not consider the extra work needed to assist people exiting homelessness or to help families lease in tight markets or in opportunity areas;
- Portability, and
- Inadequate funding to implement major one-time changes that could improve efficiency and reduce costs over the long term, e.g., upgrading IT to digitize program management, or partnering with other PHAs to streamline or consolidate program management.

The session provided opportunities for PHA representatives to share their concerns and ideas around how the administrative fee could be revised.

- **Should the administrative fee formula be tweaked?**
- **Does the timing of the payment matter?**
- **Should PHAs be compensated for providing Security Deposits?**
- **Which are the highest priorities for your agency for getting some additional funds to strengthen or expand or even just to sustain the work that you're doing?**
- **If the proration was 100%, would that be enough to cover basic costs?**
- **How to improve eligibility allocation of fees under portability?**

## Section Eight Management Assessment Program (SEMAP)

The presentation focused on the current SEMAP and the plan for revising the program. When HUD publishes a proposed rule later in the calendar year, there will be further opportunity to comment. The Listening Session provided an initial opportunity to reflect on the current SEMAP and to provide recommendations for changes. The presentation reviewed the current indicators and the refreshed goals for SEMAP, which are:

- Provide a meaningful assessment matrix for the HCV program.
- Ensure the program is simple and easy for PHAs to understand.
- Increase share of automated indicators that rely on HUD data over PHA self-certification.
- Emphasize indicators that impact family outcomes.
- Ensure equal application of indicators regardless of geography or program size.

The revised SEMAP would have four categories of indicators:

- Category 1: Utilization
- Category 2: Family Outcomes
- Category 3: Physical Inspections
- Category 4: Compliance

Representatives from PHAs and HUD discussed the following topics related to possible SEMAP revision.

- **Category 1-Utilization: How should utilization be weighted? Should utilization be a large component of overall score?**
  - Should HUD look at a two-year evaluation of utilization?
  - How should SPV utilization be considered? Only units?
- **Category 2a-Locational Outcomes. Are there other indicators beyond poverty – will certain indices work? Should Locational Outcomes be focused solely on families with children? Or all voucher households?**
- **Category 2b-Special Populations. Which populations should be included?**
- **Category 2c-Rent Burden: Is consideration of rent burden a good idea?**
- **Category 2c-MTW: What variables unique to MTW PHAs are not being considered?**
- **Category 3-Physical Inspections. How can HUD ensure that units are in decent and safe condition?**
- **Category 4-Compliance. What are the most critical aspects of the existing file review indicators to include in the new SEMAP? Sample methodology? Number of reviews required? Considerations for MTWs?**

- **Category 4-Designations and Scoring. What can HUD do for PHAs that are trending down or Troubled to help them improve? What other ideas might you have for other Benefits for High performer status?**

## Public Housing Program Topics

### Public Housing Occupancy

To increase the occupancy rates throughout the country to as close to the 95.5% goal as possible, HUD engaged PHAs in the Listening Sessions to discuss challenges they are having with achieving or retaining maximum occupancy. The discussion was also an opportunity for PHAs to share best practices and learn from each other. In a brief presentation, HUD shared with the PHAs information about the importance of occupancy and recent trends.

Occupancy continues to be a priority for HUD and PHAs. The primary purpose of the public housing program is to house low-income families in decent, safe, and sanitary housing. The Nation's housing crisis further highlights the importance of increasing occupancy. As indicated by HUD's recent public housing dashboard, trends show a slight decrease in the national occupancy rate. Each session highlighted regional trends relevant to the participating PHAs.

Representatives from PHAs and HUD discussed the following topics related to Public Housing program occupancy.

- **What are the challenges or barriers PHAs face in increasing and maintaining maximum occupancy?**
- **What steps has your PHA taken to maintain and increase occupancy? What has been successful in increasing occupancy?**
- **What resources/training can HUD develop to support PHA efforts to increase occupancy?**
- **Is there special training or technical assistance that HUD could provide that would help PHA staff improve occupancy (both leasing and retention) by special populations?**

## Public Housing Assessment System (PHAS)

HUD introduced during the Listening Sessions some initial ideas about refreshing the Public Housing Assessment System (PHAS). HUD provided a brief overview of the existing system and then described some ideas for proposed changes in each of the indicators. The Public and Indian Housing Notice 2011-13 (PHAS Interim Rule) provides guidance to PHAs on PHAS. The notice was also issued to align PHAs with the Public Housing Operating Fund Rule published in 2005 that required PHAs to implement asset management. PHAS Interim Rule provided project level performance information where possible to align with the asset management model.

PHAS assesses a PHA's performance of its public housing program against a defined standard over a specified period and provides remedies when a public housing program does not meet the standards. It is designed to enhance trust in the public housing system among PHAs, Residents, HUD, and the general public by providing improved information about the operating costs of the performance of housing projects. The performance of a PHA is measured using four indicators: Physical Assessment (40 points), Management Assessment (25 points), Financial Assessment (25 points), and Capital Fund Program (10 points). Based on the score, PHAs receive a designation of either High Performer, Standard Performer, Troubled, or Capital Fund Troubled.

After operating under an interim rule for 11 years, HUD decided it was important to revisit the system and identify areas of improvement. As the PHAs move to the NSPIRE system of inspections, PHAs and HUD must rethink assessment strategies. With small and rural PHAs being exempt from PHAS, over 108,000 public housing units will not be included in this assessment. Revisiting PHAS became part of HUD's Strategic Plan to address these concerns.

To effectively refresh PHAS, HUD identified goals. HUD wants to determine if existing metrics:

- Sufficiently measures best asset management practices;
- Identify troubled and substandard PHAs adequately;
- Provide flexibilities in assessment timing;
- Allow HUD to be proactive in addressing performance;
- Provide opportunities for synergy with SEMAP, and
- Provides clear and transparent expectations for PHAs and stakeholders.

Representatives from PHAs and HUD discussed the following topics related to PHAS program revision.

- **In addition to assessing occupancy as an outcome of management capacity, how else does a PHA assess its own management capacity?**
- **How else can HUD assess management capacity, while avoiding self-certifications?**
- **Does Capital Fund obligation have to be a scored component under PHAS?**
- **Are there other methods for assessing Capital Fund obligations?**
- **As leaders of PHAs, how do you assess the financial performance of the public housing program managed by your organization? And could HUD use any of those metrics to assess public housing program financial performance?**
- **Do those metrics ensure that the PHA is both financially stable as well as investing in properties and people?**



- **How do these metrics compare to those you use internally to measure financial performance of the public housing program?**
- **Should HUD consider setting upper and lower limits on these indicators?**
- **Should HUD use trending data to target interventions or TA to PHAs? If so, what should that intervention look like?**
- **Should HUD become more prescriptive when a property fails in terms of demolition/disposition/Rental Assistance Demonstration (RAD)?**
- **Should PHAs have the ability to request a delay in a PHAS Assessment?**
- **Other than a declared disaster, what criteria could HUD use to assess a PHA request for a delay in assessment?**

## Tenants Accounts Receivables (TARs)

In a presentation about TARs, HUD discussed the ratio of uncollected tenant rent over tenant rents charged in a fiscal year and expanded on the predictable impact of the pandemic on TARs. Public policies continue to also impact TARs in ways of moratoriums and Emergency Rental Assistance Programs (ERAP) that have enabled public housing tenants to delay or completely stop paying rents without impact to their tenancy. As these policies wind down, there are concerns about the impact on TARs and increases in evictions.

HUD has taken recent action to support PHAs and families as we all transition through the next phase of the pandemic. HUD revised the 2022 PHAS TARs methodology to reflect the impact of public policy on rent collection activities (Notice 2022-02). They also incorporated the impact of TARS into the FY2022 PH Shortfall eligibility calculation (Notice PIH 2011-17). HUD has published an eviction prevention toolkit for PHAs and tenants and continues to have communications with the Treasury about the ERPA access issues. The Shortfall Program has also been highly successful from its inception-to-date in improving financial outcomes for insolvent or near-insolvent PHAs.

Overall, the portfolio has withstood the challenges of the pandemic related to TARS. Most PHAs are in a stronger position than at any point in recent history. There are concerns, however, among PHAs with a history of financial challenges. Persistently higher TARs into 2022 and beyond could increase the number of PHAs that are at risk financially. Higher TARs and continued nonpayment of rent could result in higher-than normal evictions from the program.

Representatives from PHAs and HUD discussed the following topics related to TARs and the challenges facing PHAs in this area.

- **What types of collection difficulties have PHAs experienced since the pandemic?**
- **What are the reasons that families stopped paying rent or continue to not pay?**
- **Are there any other PHA concerns not captured by HUD?**
- **How have PHAs weathered the decrease in collections?**
- **Are there strategies employed to increase collections during the pandemic?**

## Eviction

The Listening Sessions in Atlanta, Boston and Seattle included a discussion about evictions in which HUD provided background on the topic and the use of data to inform future policy decisions. Approximately 3.6 million households receive eviction notices each year. An eviction has profound negative short and long-term effects on families. Accurate data on rates and causes are difficult to come by due to the disparate nature of the court system and the different ways courts maintain records. The Eviction Lab and others have pioneered the work of collecting and presenting data on evictions. Congress is interested in how the federal government could continue and expand on this work. In 2021 HUD published a report on the Feasibility of Creating a National Evictions Database, it was concluded that there was a need for much more stakeholder engagement on this topic. HUD is seeking input through these Listening Sessions and will issue a Federal Register notice.

Representatives from PHAs and HUD discussed the following topics related to eviction.

- **What are the most important types of data to collect and report?**
- **What is the optimal role for the federal government (and HUD specifically) in collecting and reporting eviction data?**
- **What are the benefits and risks of HUD collecting more data on evictions of public housing and HCV households?**
- **What actions could HUD take to better support PHAs in their efforts to manage their properties effectively while minimizing evictions?**

## Next Steps from the PIH Listening Sessions

In addition to reviewing comments collected during these Listening Sessions, HUD is planning to issue a proposed rule for PHAS and SEMAP by September 30, 2023, with the final rule published by September 30, 2024. PHAs will have additional opportunities to comment on any proposed rule changes to PHAS and SEMAP. HUD also plans to issue a Request for Information related to eviction data and it will be published in the Federal Register.