

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PROGRAM OFFICE SALARIES AND EXPENSES

**COMMUNITY PLANNING AND DEVELOPMENT**

The Office of Community Planning and Development's (CPD) mission is to enable the progress of viable urban, suburban and rural communities by promoting integrated approaches to housing, and community and economic development that secure quality rental housing, assist families in moving towards homeownership, and work to end homelessness. CPD manages more than 1,200 formula grantees and several thousand competitive grantees, who administer market-based programs to provide housing, create jobs, and expand economic opportunities, primarily for low- and moderate- income people and places. CPD seeks to encourage empowerment of local residents by helping to give them a voice in the future of their neighborhoods; stimulate the creation of community based organizations; and enhance the management skills of existing organizations so they can achieve greater production capacity. Housing and community development are not viewed as separate programs, but rather as among the many elements that make up a comprehensive vision of community development.

In 2013, communities all across the United States will continue to face serious issues. The deep budget cuts in state and municipal governments are compounding historic disinvestment in the capacity of CPD grantees. Layoffs and furloughs of local staff inflict great stress on the often-challenged systems, compromising the ability of local governments to deliver quality programs. At the same time the grantees are losing capacity and face reductions in Federal formula grants, they must address the foreclosure crisis, neighborhoods struggling with property value declines and blight, and the increases in family homelessness. State governments have also made significant cuts to housing and community development programs that support both capital and administrative expenses at the local level. These increased gaps in capacity at the local level exacerbate the need for CPD to support grantees through staff-provided technical assistance, monitoring, and customer service. As grantees restructure their programs to meet their current challenges, HUD and CPD must now refocus Federal program dollars on our goals to help build the capacity of grantees to deliver quality programs and services.

As the stewards of Federal dollars, it is CPD's job to make sure that programs funds are spent wisely and grantees are accountable for results. Technical assistance that builds capacity is necessary to implement real change at the state and local level. The Transformation Initiative offers a powerful tool to change the way we do business: to focus on the skill sets across multiple programs addressing housing development, community and economic development, and planning. The challenges grantees have faced over the last several years, related to the foreclosure crisis, staff layoffs and furloughs, and reductions in formula program funding have also contributed to a pent up demand for comprehensive technical assistance. This assistance to grantees must go beyond its former focus on individual Federal programs, which limited its value to local communities. Instead, technical assistance must meet grantees where they are in a comprehensive way that improves the quality of local programs and services and their impact on local communities. Capacity building efforts through CPD's new technical assistance and capacity building delivery system - OneCPD - have been designed to institute new place based, strategic, results driven delivery systems. CPD's presence is more

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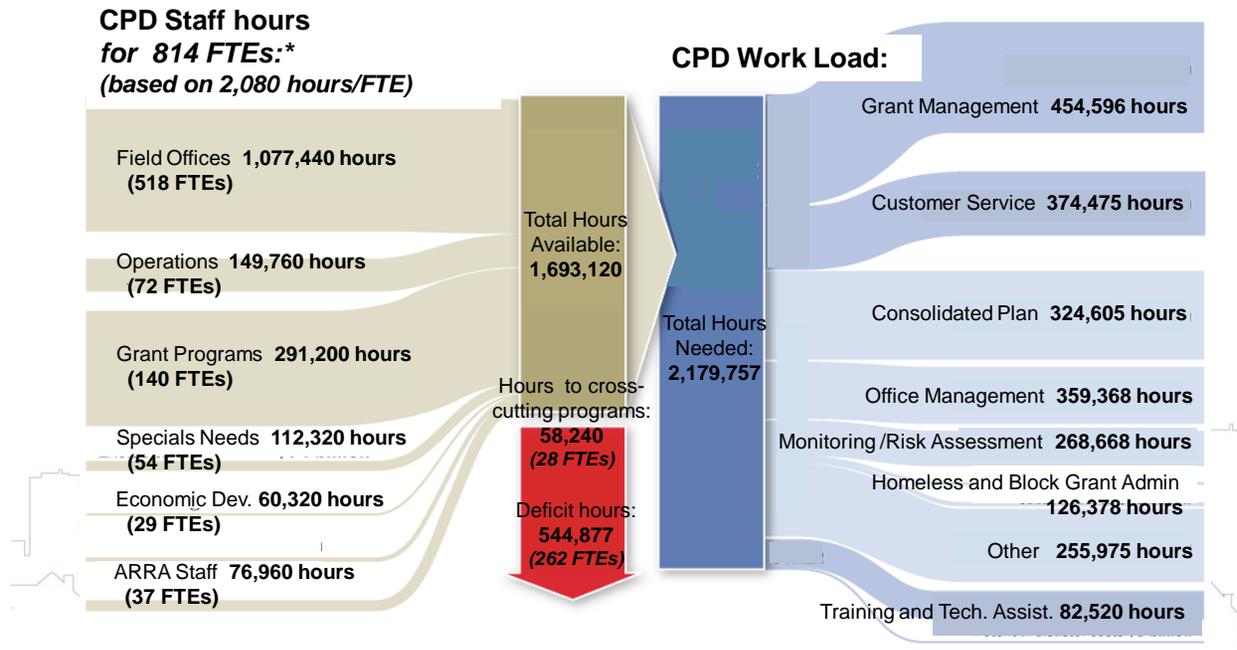
important than ever in this environment where communities all across the United States are facing foreclosure problems, neighborhood blight, record unemployment, and increased homelessness and other serious issues. Furthermore, State and municipal governments are dealing with serious budget cuts along with layoffs and furloughs of local staff, resulting in a historic disinvestment in the capacity of CPD grantees. CPD must continue to look beyond grant administration and focus on building the capacity of grantees to deliver quality programs and services to assist in the restoring of our communities.

CPD's major programs which include Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), Homeless Assistance Grants (HAG), Housing Opportunities for Persons with AIDS (HOPWA) and Capacity Building, have an extensive role in making the High Priority Performance Goals, Cross-Agency Collaborations and Presidential Initiatives a success. CDBG is the epitome of a place-based program in that it annually invests in thousands of communities across the country with the objectives of providing decent housing, suitable living environments and economic opportunity. All of the programs administered by Office of Affordable Housings Program support the President's place-based policy objective, which takes a comprehensive look at how Federal government policies impact the way urban and rural areas develop and how well those places support the people who live there, in all aspects of their lives—education, health, housing, energy, and transportation. Community Planning and Development programs have been and can continue to be key parts of the Obama Administration's efforts to strengthen economic competitiveness of the nation's neighborhoods and communities.

CPD conducted an in-depth workload analysis of both headquarters and field to determine how many FTE are needed to support the organization's workload. CPD analysis reviewed every major workload function of CPD. The workload categories included grants management, customer service, office management, consolidated plan, monitoring and risk assessment, homeless programs, training, block grant administration, technical assistance, audits and miscellaneous work. FTE estimates were based on input of subject matter experts and actual workload outputs. The results indicate that CPD's current workload is the equivalent of 1,048 FTE, and CPD had a current deficit of 262 FTE (Table 2). To evaluate our workload needs, CPD has developed the "18-month work plan" to help address the organization's workload challenges. In addition, CPD has actively focused on streamlining, automating, and eliminating processes to achieve additional FTE efficiencies to reduce CPD's FTE deficit.

CPD's workload analysis includes several new workload items such as Disaster Recovery, NSP, HERA, and ARRA-related grants and supplemental appropriations (Post-FY 2004). CPD's current workload of 18,971 grants is an increase of 22.5 grants per field staff since FY 2004. CPD currently has a ratio of grants per person for FY 2013 of 36.9, which is an increase of 130 percent compared to fiscal year 2004.

# FY2012: CPD FTEs vs. CPD Work Load



\*Includes 28 FTEs providing technical services to other programs across the department.



CPD is committed to meeting its statutory obligations when managing workload. However, CPD understands that we will have to address the following management challenges in FY 2013:

- Limited staff resources to provide program support and technical assistance to grantees,
- Limited resources for intensive monitoring ;
- Limited opportunity to train staff to manage CPD program;
- CPD may be limited to internal hires to fill key CPD management positions.

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### **Organizational Chart**

CPD's functional organization chart includes the Deputy Assistant Secretary for Grant Programs, the Deputy Assistant Secretary for Special Needs, the Deputy Assistant Secretary for Economic Development and the Deputy Assistant Secretary for Operations.

The Deputy Assistant Secretary for Grant Programs includes three offices: the Office of Block Grant Assistance, the Office of Affordable Housing, and the Office of Environment and Energy. The Office of Block Grant Assistance encompasses four divisions: the Disaster Recovery and Special Issues, Entitlement Communities, State & Small Cities, and Financial Management.

The Office of Block Grant Assistance office administers the CDBG Entitlement/Non Entitlement, Insular, Disaster Assistance, Neighborhood Stabilization Program, the American Recovery and Reinvestment Act, and the Section 108 loan guarantee program. The Office of Affordable Housing administers the HOME Investment and Partnership Program, and would administer the Housing Trust Fund, includes three divisions; Financial Management and Information Services, Relocation and Real Estate and Program Policy. Lastly is the Office of Environment and Energy which includes environmental planning and review services for the programs within the Department.

The Office of the Deputy Assistant Secretary for Special Needs administers the Housing Assistance Grant program which includes the Continuum of Care (COC's), Supportive Housing program (SHP), Shelter Plus Care (S&C), Rural, and the Emergency Solution Grants (ESG). The Deputy Assistant Secretary for Special Needs also oversees the Office of HIV/AIDS Housing. The Housing Opportunities for Persons With AIDS (HOPWA) program is the only Federal program targeted to address the urgent housing needs of low-income Americans living with HIV/AIDS and their families.

The Office of the Deputy Assistant Secretary for Economic Development includes the Office of Economic Development, Office of Rural Housing and Economic Development and the Office of Community Renewals. The Office of Economic Development administers the Economic Development and the Neighborhood Initiative grants, and the Office of Rural Housing and Economic Development and the Office of Community Renewals administer the Rural Innovation Fund. The Deputy Assistant Secretary for Economic Development is also responsible for administering the OneCPD program, which provides technical assistance and capacity building to all of CPD's grantees.

Lastly is the Deputy Assistant Secretary for Operations which oversees the Office of Technical Assistance and Management (OTAM), the Office of Field Management and the Office of Policy Development and Coordination.

The Office of Technical Assistance and Management include four Divisions: Budget, Management, Technical Assistance and Systems Development and Evaluation. These Divisions support the operations of CPD. The Office of Field Management oversees the operations of 43 CPD field offices and the Office of Policy Development and Coordination works with all the program offices in CPD to coordination and development policy.

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COMMUNITY AND PLANNING DEVELOPMENT

	FY 2010 Actual	FY 2011 Actual	FY 2012 Enacted	FY 2013 Request	Increase/Decrease compared to 2012
Personal Services	\$97,642,170	\$97,580,880	\$97,130,000	\$101,182,000	\$4,052,000
Non-Personal Services:					
Travel	1,354,876	1,112,258	1,000,000	1,017,000	\$17,000
Transp. Of Things	6,892	5,444	-	-	-
Printing	86,816	32,461	50,000	28,000	(\$22,000)
Other Services	1,988,652	1,735,175	1,770,000	1,605,000	(\$165,000)
Supplies	54,688	49,473	50,000	50,000	-
Subtotal Non-Personal Services	\$3,491,923	\$2,934,810	\$2,870,000	\$2,700,000	(\$170,000)
Total	\$101,134,093	\$100,515,690	\$100,000,000	\$103,882,000	\$3,882,000
FTE	812.7	800.9	789.9	811.7	21.8

CPD is requesting 811.7 FTE's for fiscal year 2013 and \$103,882,000; this is an increase from fiscal year 2012 of 21.8 FTE and a total reduction in non-personnel service of \$170 thousand. CPD staff workload is primarily encompassed by the following activities: grant administration, awarding funds, ensuring program compliance through monitoring, and providing technical assistance. Consequently, one of CPD's primary workload drivers is the number of grants in CPD's portfolio. The number of grants is the most important factor that influences CPD's staffing requirements and the increase in staffing requested in 2013 will give CPD the staff required to implement and monitor these grants.

Beyond CPD's core grant workload, CPD staff needs to train grantees to handle several important new developments, including the priorities in the HUD Strategic Plan, Neighborhood Stabilization Program (NSP), the HEARTH Act, Consolidated Plan enhancements, upgrades to Integrated Disbursement Information System (IDIS), increased disaster recovery funds, USISCH Federal Strategic Plan to Prevent and End Homelessness, and other critical initiatives. Further, CPD programs are under national scrutiny in an

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environment where there are new regulations to HOME and HEARTH. CPD must provide extensive training to grantees about these new requirements. Further, CPD must provide on-going training for all of its existing programs. The additional 21.8 FTE will be utilized by CPD to maintain the necessary staffing levels needed to manage and monitor its core programs with over 18,000 grants. CPD will use the additional staff to backfill key positions in the field offices. The staff will allow CPD to conduct more in-depth monitoring visits and/or spend more time with grantees as needed.

CPD strives to deliver programs to low- and moderate- income persons to make housing affordable and its goals are set forth in the High Priority Performance Goals, Cross-Agency Collaborations and Presidential Initiatives

Travel - CPD uses a significant portion of its travel funds to support monitoring-related functions and to help build the capacity of grantees to deliver quality programs and services. Travel resources are especially important to field office staff that relies on travel funds to fulfill their monitoring goals. In addition, travel funds are necessary for CPD managers and staff to participate in yearly CPD conferences, training and HUD-oriented initiatives. Currently, CPD's travel budget barely addresses CPD's minimum needs. In fiscal year 2013, CPD travel requirements are even greater due to increase requirements for monitoring and technical assistance, any cuts will negatively impact CPD and the grantees that we serve.

Printing - Printing monies support CPD's various marketing and educational initiatives for Homeless, HOPWA, CDBG and HOME, which support the Cross-Agency Collaborations and Presidential Initiatives.

Other Services - Contract funding primarily supports maintaining and supporting CPD normal operations, which includes customer service for web service content and management, warehousing and pamphlet/information dissemination, indirect cost negotiations, evaluating Census data for CPD's formula runs, leveraging the knowledge of subject matter experts, and developing processes and systems for CPD core programs. The requested contract monies only maintain minimum operations.

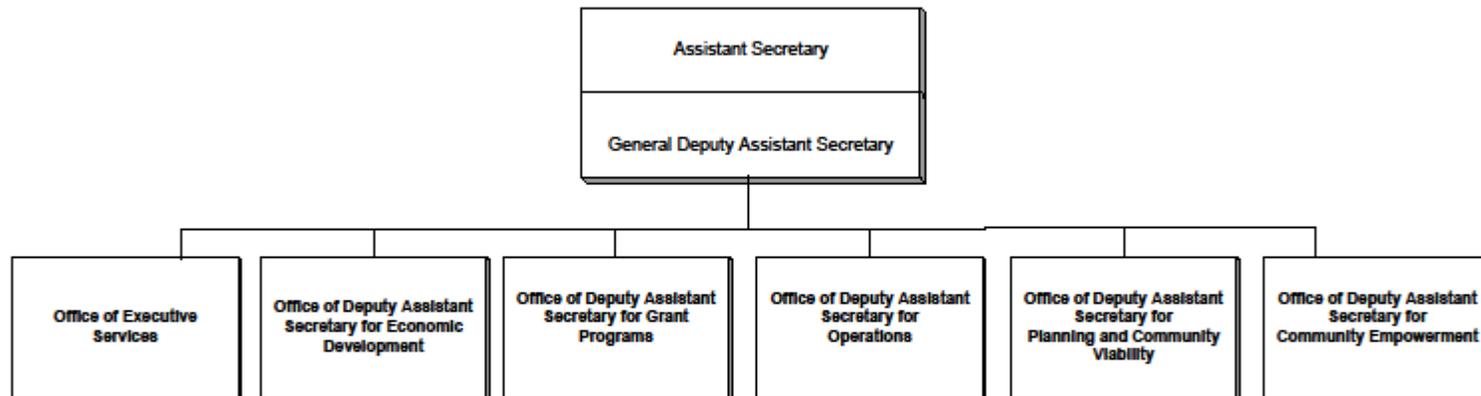
Supplies – fiscal year 2013, Community Planning and Development (CPD) is requesting 811.7 FTE, an increase of 21.8 FTE, funding support CPD's staff increase and on-going operations.

CIO anticipates that amounts for BOCs 2200 (Transportation of Things) and 3100 (Equipment) will be minimal in certain offices. Should expenses arise related to those BOCs, they will be absorbed within the budget for non-personnel expenses.



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December 23, 2008