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Memorandum

To:	U.S. Department of Housing and Urban Development (HUD), Office of the Secretary
	Attn: Matt Ammon, Acting Secretary; Jenn Jones, Chief of Staff
From:	Stewards of Affordable Housing for the Future (SAHF)
Date:	February 8, 2021
Subject:	Opportunities for Immediate Administrative Action

The COVID-19 pandemic has made clear what advocates and affordable housing providers have long known: housing *is* health. Impactful housing policy and investments can create healthy, environmentally sustainable and affordable homes that support the health and well-being of residents and our communities; but the pandemic has illustrated how the opposite is also true. Short-sighted, unjust housing policy and disinvestment hurt communities and have exacerbated racial inequities. ***Now is the time for the federal government to seek practical strategies, innovations and partnerships for quality housing in healthy communities.***

On behalf of Stewards of Affordable Housing for the Future (SAHF), we welcome the opportunity to work with the Biden Administration, and new leadership of the U.S. Department of Housing and Urban Development (HUD), to identify and advance these strategies. SAHF is a national policy collaborative of thirteen mission-driven, multi-state non-profit affordable housing developers: Mercy Housing, Volunteers of America, National Church Residences, National Housing Trust, The Evangelical Lutheran Good Samaritan Society, Retirement Housing Foundation, Preservation of Affordable Housing, The NHP Foundation, BRIDGE Housing, CommonBond Communities, Community Housing Partners, Homes for America, and The Community Builders. ***With our practice-driven approach, SAHF plays a pivotal role between practitioners, policymakers, and partners in the affordable rental housing industry and other sectors to identify, develop and foster effective and innovative strategies*** for sustainability, affordability and positive resident outcomes in rental housing communities for low-income families, seniors and persons with disabilities.

With this lens, we have identified legislative, administrative and regulatory policies that are grounded in practice with the ability to make significant progress. If implemented, these key recommendations would ***expand access to affordable homes; create choice and opportunity by preserving affordable rental homes; use affordable rental homes as a fulcrum for improving resident health & well-being; and create healthier communities and combat climate change through quality design & operations of affordable rental housing.***

This memorandum takes this a step further***, offering HUD leadership and staff specific, meaningful administrative and regulatory actions including those that can be taken within these first 100 days of the Biden Administration.*** For ease in reading, the following recommendations are organized by responsible HUD program office, and include markers for which of the Biden Administrations' stated priorities -- COVID-19 (CO), economic recovery (ER), racial equity (RE) and climate change (CC) --these recommendations could impact.

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OFFICE OF THE SECRETARY

- **Reinstate the Rental Policy Working Group (RPWG)**, initiated in 2010 and comprised of HUD, the White House Domestic Policy Council, National Economic Council, OMB, Departments of the Treasury and Agriculture. The RPWG identified a number of areas to better align the operation of Federal rental policy but has been inactive during the Trump Administration. If reconvened, the RPWG could break down silos, easing unnecessary impediments, streamline programs to improve utilization and administration, and examine housing regulations to avoid eliminating or weakening regulations that protect resident well-being and limit environmental impacts. The RPWG should prioritize ways to lift up the voice of residents and foster agency in multifamily housing, and seek modifications and modernizations in development and operations policies, particularly as they relate to navigating a COVID/post-COVID world. (ER) (RE) (CC)

- **Increase HUD's staff capacity to efficiently manage housing resources:** HUD staff, both in the field and in headquarters, are critical to advancing sound policy and yet, capacity has been strained for far too long. While some capacity considerations will require increased appropriations, other improvements can be made through internal efficiencies:
    - Streamline procedures to expedite internal hiring. Currently this process is partially outsourced to the Bureau of Fiscal Services at Treasury as a shared service but HUD's Human Capital office is also involved, adding process layers without significant value. (ER)
    - Develop standard operating procedures and redundancies for specialized staff to ensure work can continue in case of retirement or other leave. HUD staff is the most tenured of the cabinet-level agencies, with many staff with specialized positions at or nearing retirement. Without developing redundancies and SOPs, these specialized skills could be lost. (ER) (RE)

- **Inventory HUD information technology systems, and related maintenance contracts**: HUD has not kept pace with information technology upgrades, instead relying on older systems (including TRACS) and expensive maintenance contracts to maintain them. These older systems often make it more difficult for HUD to provide adequate oversight, creating burdens and unnecessary inefficiencies. HUD leadership should immediately begin an analysis of legacy systems and planning for investments needed to more effectively steward the HUD portfolio. This is an important step in breaking down silos, and building interagency partnerships.(ER)

OFFICE OF THE SECRETARY/ OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY

Fair housing protections have been significantly eroded over the past four years and policies have been advanced that do harm to the people that HUD is meant to serve, especially people of color. SAHF urges HUD to act swiftly to restore protections and roll back harmful, racist policies.

- **Rescind the Preserving Community and Neighborhood Choice rule[1] and utilize the previous Affirmatively Furthering Fair Housing (AFFH) rule[2]**: The current rule is entirely inadequate, and by returning to decades-old failed processes, HUD is failing its statutory obligation and communities across the country by remaining complicit in decades of policies and decisions that preclude fair and meaningful housing choices for people of color. The AFFH regulations provide a clear framework and can be further improved through subregulatory action by refining assessment tools, facilitating engagement amongst covered participants, and

[1] "Preserving Community and Neighborhood Choice; Final Rule," published August 7, 2020 at 85 FR 47899
[2] "Affirmatively Furthering Fair Housing; Final Rule," published July 16, 2015, at 80 FR 42272.

supporting technical assistance to ensure that localities are furthering fair housing opportunity and reducing housing discrimination. (ER) (RE)

<u>OFFICE OF HOUSING- MULTIFAMILY</u>

Asset Management & Portfolio Oversight

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- **Ensure all available Project-Based Rental Assistance is maximized by redesigning transfer authority guidance:** Under Section 8(bb)[3] of the United States Housing Act, if a Project-Based Rental Assistance (PBRA) Housing Assistance Payment (HAP) contract is terminated or expires and is not renewed, HUD is authorized to transfer that budget authority to a new or an existing HAP contract. Section 8(bb) transfer authority provides a path to ensure that all available PBRA is maximized, however HUD's protocol has created barriers to using the authority. Current guidance[4] must be substantially redesigned to maximize Section 8(bb) utility. New guidance should address timing and quality challenges by prequalifying receiving properties (Property B) owners, prioritizing those with high quality housing and services, dedicated to long-term affordability and positive outcomes for residents. New Section 8bb guidance should also provide deadline flexibility to avoid the unnecessary loss of budget authority. HUD should support the transfer of contracts to properties in high-opportunity areas by allowing sponsors to terminate and renew such contracts at new local-market rents immediately after transfer, instead of requiring a 5-year freeze which disincentives these transfers. (ER)
- **Share Section 8 opt-out notices to inform adequate preservation strategies:** HUD statute and regulations[5] require property owners seeking to terminate their PBRA HAP contracts to provide notice to HUD and tenants, however this notice can be insufficient to inform adequate preservation strategies and resources for at-risk residents. HUD should require that a copy of the Section 8 opt-out notices required at one year and 120 days in advance of terminating a project-based rental assistance contract also be sent to the unit of local government and state housing finance agency, often the contract administrator (CA), in addition to the residents to help inform preservation strategies and resources. (ER)
- **Improve broadband access for residents by updating guidance to ensure owner-provided broadband is appropriately reflected in rent-setting:** Residents of affordable housing are nearly twice as likely to lack high-speed internet connections as the general population[6], but providing broadband connection for all units in the building can be a cost-effective way for a property owner to ensure that residents are connected. HUD's Office of Public Housing made headway in bridging the digital divide by clarifying that public housing funds can be used to support access to broadband internet and devices[7]. However, current guidance around owner provided internet in multifamily properties is inadequate and unclear, creating inequities between HUD-assisted households. HUD should immediately remove the \$50/5% cap on adjustments for non-shelter services[8]; and for budget-based properties, clarify that broadband provision is an eligible property expense. (ER) (RE)

[3] United States Housing Act of 1937 (42 U.S.C. 1437f(bb))

[4] Notice H-2015-03

[5] 42 CFR 1437f(c)(8) requires a one-year notice; HUD's Section 8 Renewal Guide,11-2 requires that the owner must satisfy all notification requirements and submit the request and certification to the local HUD office or contract administrator not less than 120 days before the expiration of the contract.

[6] HUD Office of Policy Development & Research. "ConnectHome Initiative" May 2018.

[7] Office of Public & Indian Housing. "Use of Public Housing Funding to Support Internet Connectivity for Residents". January 19, 2021.

[8] HUD Section 8 Renewal Guide, Chapter 9. "The total net adjustments for these line items exceeds the larger of $50 or 5 percent of the comparable's unadjusted rent, without supporting market-based evidence regarding the value of these services."

- **Secure access to low cost broadband with building-wide eligibility and data-sharing:** The Lifeline program, regulated by the Federal Communications Commission (FCC), includes broadband support for low-income households but there remain multiple barriers for HUD-assisted households to access it. FCC and HUD should improve data sharing and verification to clarify the eligibility of people participating in project-based Section 8 and Section 202 programs. Current data sharing efforts[9] focus on public housing and vouchers and not on project-based programs that are generally subject to the same income requirements and have comparable resident income profiles. HUD should then work with the FCC to publish a list of all assisted multifamily properties where all or substantially all units are assisted under project-based Section 8 or Section 202, where residents can be presumed income eligible based on eligibility requirements for the housing program (there is precedent for this type of blanket eligibility and collaboration with multifamily housing after the expansion of the Weatherization Assistance Program in the American Recovery and Reinvestment Act). FCC should clarify that owners of listed properties should be eligible to connect all units at Lifeline pricing and levels of service while residents would retain the option to enhance service if they desired. Blanket eligibility for Lifeline will also help residents in HUD-assisted housing access the Emergency Broadband Benefit program (established in the Consolidated Appropriations Act of 2021) that uses the Lifeline National Verifier system to confirm eligibility. (ER) (RE)
- **Create a demonstration program to couple property-wide broadband access with operational efficiencies:** Given the wide range of operational efficiencies (like the use of online tenant portals and Wi-Fi enabled sensors to help control utility costs) and the deep services and supports that can be unlocked with property-wide broadband, HUD should create a demonstration program to couple property-wide broadband access to track resident and property performance outcomes, and make the case for further investment by public and private actors incentivized by outcomes. This demonstration would build on the work done under ConnectHome and help expand connectivity into multifamily assisted housing. (ER) (CC)
- **Ensure that rental subsidies for HUD PBRA properties can support high-quality resident services by clarifying that Rent Comparability Studies should recognize the true value** of such programming and not artificially constrain it (current guidance caps adjustments for non-shelter services at $50/unit or 5% of rent[10]), and by permitting service coordination in budget-based rents. (CO) (ER)
- **Improve the consistency and effectiveness of resident service coordination by clarifying standards and performance measures in a way that centers resident needs**: In 2019, HUD informed all Multifamily Housing Service Coordinator program grantees and budget-based service coordinator properties that they must use the Standards for Success reporting format—its standardized reporting framework for its discretionary-funded programs[11]. HUD should provide greater communication and clarity around long term uses of the data, how they should be communicating this reporting to residents, expectations around resident data privacy and the volume of data they should be reporting, and greater reporting flexibility/accommodation for

[9] "Computer Matching Agreement Between United States Department of Housing and Urban Development, the Universal Service Administrative Company, and the Federal Communications Commission" December 10, 2019.
[10] HUD Section 8 Renewal Guide, Chapter 9. "The total net adjustments for these line items exceeds the larger of $50 or 5 percent of the comparable's unadjusted rent, without supporting market-based evidence regarding the value of these services."
[11] Standards for Success webpage.

owners who do not use a Pangea Foundation software system. HUD should also examine how to adapt these performance measures in projects where not everyone receives service coordination, or when the service coordination is not provided through HUD grants. (ER) (RE)

- **Scale the Family Self-Sufficiency (FSS) program in multifamily assisted housing with program improvements and clarifications:** FSS is a proven model that promotes earnings and savings by combining personalized support with a financial incentive. In 2018, Congress passed legislation[12] making permanent the expansion of FSS to private owners of multifamily assisted housing so that more HUD-assisted residents can access FSS. HUD can encourage broader adoption of FSS by clarifying that two-tier funding allocation allows funding to cover coordinators at programs that were not previously funded, for new as well as existing FSS programs, while giving first priority to renewal of prior year grants. HUD should also implement the long-delayed version 2.0.3.A of TRACS, its voucher payment system software, to allow PBRA FSS programs to automatically calculate tenant rent payments and escrow deposits. (ER)
- **Extend RAD UA shift to other HUD loan programs:** Within the Rental Assistance Demonstration (RAD) program, contract rents may be increased by the value of tenant-paid utility savings if the conversion results in a demonstrable reduction.[13] Consistently allowing rents to increase in proportion to utility allowance decreases that are the result of energy savings from a recapitalization/retrofit event address the "split incentive"– a major impediment to energy efficiency. The split incentive is when in cases where residents pay their utility bills directly, property owners have no expected economic return or incentive to invest in more efficient energy and water systems whereas when all utilities are included in rent, residents lack an incentive to conserve energy in their homes. HUD should expand the RAD approach to tenant-paid utility savings to all recapitalization events. (ER) (CC)
- **Invigorate the Better Buildings Challenge by evolving program design and deepening multifamily incentives:** HUD should engage with the Department of Energy on ways to evolve the Better Buildings Challenge (BBC), in keeping with the Biden Administration's emphasis on climate change to more explicitly target emissions reductions. The recently formed Multifamily Sector Steering Committee can provide input on how the program can evolve in ways that reflect the interest and operating conditions of multifamily affordable housing. A key role for HUD in supporting the BBC would be to expand and deepen incentives for BBC Partners, including deepening the Management Add-on fee[14] incentive to reflect the full cost of supported functions and the corporate-level management role. HUD also should revisit incentives considered but not finalized in the past, including owner incentives for reductions to tenant-paid utilities. (ER) (CC)
- **Align incentives among HUD, owners and residents in support of energy efficiency by piloting utility budgeting in HUD-assisted multifamily housing:** While both PBRA and Public Housing use the same definition of a Utility Allowance,[15] each program has different methodologies[16] for establishing utility allowances. For public housing, utility allowance

[12] Economic Growth, Regulatory Relief, and Consumer Protection Act
[13] Notice H-2019-09 / PIH 2019-23 (HA)
[14] HUD Memo, "Multifamily Better Buildings Challenge Incentive: Allocable Management Add-On Fees". April 24, 2014.
[15] 24 CFR 5.603 defines a utility allowance as "an amount equal to the estimate made or approved by a PHA or HUD of the monthly cost of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary, and healthful living environment."
[16] For the PBRA portfolio, HUD Notice H 2015-04 calls for utility allowances to be set based on a sampling protocol of historic costs or, in cases of new construction or substantial rehab, an energy consumption model.

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calculation methods include an option for the public housing authority to set a consumption budget and issue "surcharges for excess consumption"[17] in properties where utility costs are paid by the owner and individual units are submetered. This utility budgeting approach is an effective way to address the "split incentive" -- owners maintain an incentive to invest in efficient equipment because they pay the utility costs directly while residents maintain an incentive to limit their consumption to an established threshold.

HUD should pilot the utility budgeting approach within the PBRA portfolio. Properties that could readily test this model as part of a pilot include those that are currently individually metered but owner paid. As owners already have historic unit-level data for these properties, the pilot would be able to evaluate the utility consumption impacts of the implementation of the utility budget. To assist residents in managing their consumption within the utility budget, the pilot could incorporate basic energy literacy training and smart sensors that give residents real time information to help manage costs and keep reduce properties' overall utility consumption. The pilot can be used to evaluate residents' experience of the program and incorporate their input and advice into designing a scaled solution. The pilot could also be extended to properties with different metering configurations and/or piloted for water consumption. (ER) (CC)

- **Promote distributed solar through guidance on treatment of community solar in utility allowance calculations:** Community solar programs are expanding opportunities for accessing the benefits of solar, because these programs eliminate the need for solar panels to be physically connected to the utility meter being credited. Instead a virtual meter calculates the total electricity generated by the solar panels, and the total amount generated can be credited to different utility accounts within the utility's billing software. Many states are designing community solar programs that target low-income households as their beneficiaries, however, residents of HUD-assisted housing are disincentivized because of HUD's utility allowance calculation. As the average utility cost at a property decreases, the utility allowance will eventually also decrease, and residents' rent payments increase.

  California's Solar on Multifamily Affordable Housing (SOMAH) program was one of the first state programs to specifically target low-income renters but initially excluded HUD-assisted households due to the utility allowance issue. That exclusion was removed when HUD issued guidance specific to the SOMAH program which allows for solar credits to be excluded from both annual income and utility calculations.[18] HUD should build on this guidance, allowing for the exclusion of all community solar credits from utilities allowance calculations, so that states can realize the intended benefit of their public funds, realize distributed energy targets, and address equity concerns where only some households at a property participate in a community solar property. (ER) (CC)

- **Develop HUD utility data collection and analysis systems to guide policy design and program evaluation:** Benchmarking of owner-paid utilities is widely recognized as a cost-effective energy management technique and is widely used among affordable housing providers. Many jurisdictions have enacted benchmarking requirements, and electric and gas utilities serving those territories allow multifamily owners to access aggregated data for their properties. These jurisdictions commonly require reporting through the EPA's free ENERGYSTAR Portfolio Manager tool, which allows tracking of cost, consumption, and an estimate of related greenhouse gas emissions. Benchmarking data would be useful to HUD in its own policy and program design,

[17] The ability to charge excess consumption fees is established in 24 CFR 965.506 and laid out in greater detail in the 2008 HUD Utility Allowance Guidebook for public housing.

[18] HUD memo, "Treatment of Solar Virtual Net Energy Metering Credits on Tenant Utility Bills" July 8, 2019.

building out the infrastructure of data collection and its uses including targeted interventions and program evaluation. HUD should require owners to share whole building energy consumption data for properties that have access to aggregated data from their utilities and require benchmarking and sharing of owner-paid utilities where aggregate data is unavailable. Limiting the data collection to more readily available benchmarking data avoids the time consuming burden to property managers of more extensive benchmarking requirements previously proposed.[19] Further, focusing on owner-paid and aggregate data is consistent with the Multifamily BBC. To help realize the benefits of benchmarking, HUD should offer technical assistance to owners in utilizing data for efficiency and decarbonization. (ER) (CC)

- **Create better consistency in determining energy and water measures eligible uses of Reserve for Replacement:** HUD's Asset Management Handbook[20] provides guidance on what items are generally considered eligible uses of Reserve for Replacement Funds and calls on mortgagors to be "mindful of energy and environmental considerations". To improve consistency across field offices in the treatment of reserve funds, and to encourage upgrades that reduce energy and water consumption and reduce greenhouse gas emissions, HUD should issue a memo to field offices detailing the sustainability measures considered eligible uses of reserve funds, subject to adequacy of reserves. HUD should build off of the BBC's expedited reserve for replacement incentive[21] for this broader guidance, which should also include additional measures that support energy and water management, resilience, and health. (ER) (CC)

Multifamily Production

- **Streamline closings to reduce associated cost and time:** HUD's Low Income Housing Tax Credit (LIHTC) Pilot Program is intended to align HUD's Section 221(d)(4) and Section 220 platform with the programmatic requirements of the LIHTC program and improve HUD's responsiveness and application processing times. This pilot program allows for setting the target closing date at issuance of Firm Commitment which removes the uncertainty created by lengthy reviews by the Office of General Counsel (OGC), and thus reduces time and cost to transactions. This allowance should be extended to all affordable transactions. HUD should also make permanent the closing flexibilities, including the use of electronic submissions, approved by the OGC in response to the COVID-19 pandemic[22]. (ER)
- **Modify the treatment of certain costs.** HUD should allow costs associated with obtaining and syndicating LIHTCs, as well as those associated with tax-exempt bonds (in excess of currently allowed limits of 5.5% of the mortgage amount when combined with lender fees[23]), to be mortgageable. This would reduce the need for a costly bridge loan and allow for more HUD-insured mortgage funds to be available during the construction period. (ER)
- **Clarify in the MAP Guide that relocation costs for 223(f) transactions are mortgageable.** Relocation costs are mortgageable under Section 221(d)(4) and should be considered as such for section 223(f) transactions as well. (ER)
- **More broadly expand flexibilities of LIHTC Pilot to other HUD programs.** This should include delaying the operating deficit escrow on section 221(d)(4) transactions until construction

[19] HUD "60-Day Notice of Proposed Information Collection: Energy Benchmarking," October 4, 201 at 81 FR 68446; SAHF comments on notice
[20] HUD Asset Management Handbook Chapter 4.
[21] HUD Memo, "Better Buildings Challenge Multifamily Partner Incentive: Expedited Reserve for Replacement Account Releases to Support Energy and Water Savings" June 12, 2014.
[22] Federal Housing Administration (FHA) "Questions and Answers, Office of General Counsel, FHA Multifamily Housing Production during Pandemic" September 10, 2020.
[23] MAP Guide, Chapter 8.15.

completion, as allowed under the Pilot. The current requirement (for non-Pilot transactions) that the escrow be funded at Initial Endorsement results in a funded and unused escrow held by the lender through the construction period, though the Operating Deficit escrow is not needed until after Final Endorsement. The timing of the funding creates unnecessary interest carry costs when the equity bridge loan is used to fund the escrow. (ER)

- **Streamline HUD parking requirements**, and better align interpretations across field offices in a manner that recognizes the costs of providing parking, the needs of the individual property, and the availability of public transportation. HUD should also consider incentivizing developments with less parking if connected to public transportation. (ER) (CC)

- **Expand FHA Risk-Sharing program.** The FHA Risk-Sharing program improves access to FHA multifamily mortgage insurance helping rural and other hard-to-serve markets, reduces HUD's risk at the transactional level, and significantly cuts HUD staffing and processing needs. HUD should:
    - Expand the program to small multifamily developments, as HUD began with the 2015 Small Buildings Risk-Share Initiative[24]. This would be an important preservation tool, as small property owners have been especially hard-hit by the economic fallout of COVID-19, experiencing rent arrearages that impact a greater portion of their properties, and are less likely than larger property owners to be able to access capital. (ER)
    - Expand the program to private lenders that demonstrate a full range of affordable multifamily lending capacities and the financial strength to back up their share of credit risk exposure, including qualified community development financial institutions (CDFIs) who are especially important in providing smaller multifamily mortgages and mortgages on unsubsidized naturally occurring affordable housing. (ER)
    - Reinstate the Federal Financing Bank Initiative for the FHA Risk-Sharing program to provide long-term, competitively priced financing to Risk-Sharing deals. Despite its successes, the Trump Administration ended the FFB initiative on December 31, 2018. (ER)

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PUBLIC AND INDIAN HOUSING

Housing Choice Voucher Program

- **Support Housing Production by Streamlining Project-Based Voucher Awards:** HUD should revise its proposed rule[25] implementing certain HOTMA provisions relating to project-based vouchers, allowing PHAs to provide conditional commitments to project-base vouchers at projects meeting local priorities, contingent on a project's subsequent award of a competitively awarded public resource. This aligns the PBV program with LIHTC and other programs with specific time requirements. (ER)

- **Require all public housing agencies to transition to the use of Small Area Fair Market Rents** (SAFMRs) for tenant-based vouchers, with appropriate hardship protections, to ensure that voucher payment standards support access across local rental markets instead of concentrating assisted households in lower-rent areas. HUD should continue to exempt project-based vouchers unless the owner agrees. Current regulations[26] only require SAFMRS for certain PHAs but this could be expanded through additional regulatory action. (ER) (RE)

[24] FHA "Small Building Risk Sharing Initiative; Final Notice" July 16, 2015 at 80 FR 42105.

[25] "Housing Opportunity through Modernization Act of 2016-Housing Choice Voucher (HCV) and Project-Based Voucher Implementation; Additional Streamlining Changes" 83 Fed. Reg. 63664; 24 CFR 983.51

[26] "Establishing a More Effective Fair Market Rent System; Using Small Area Fair Market Rents in the Housing Choice Voucher Program Instead of the Current 50th Percentile FMRs," *Federal Register,* Vol. 81, No. 221, November 16, 2016, pp. 80567-80587

Real Estate Assessment Center (REAC)

- **Develop feasible strategies to engage residents in the design and implementation of HUD processes for physical inspection and asset management**. Most federally assisted housing is in good physical condition and provides tenants with safe, healthy and affordable homes. However, there are outliers that threaten the health and safety of tenants, and the long-term viability of the properties. It is essential that those outlier properties are improved and potential future problems are prevented. HUD's NSPIRE demonstration is an opportunity to pilot new systems including tenant inspection forms that are submitted on the same frequency/timeline as owner self-inspections. (ER) (RE)
- **Ensure compliance while mitigating disruptions by incentivizing advanced notice of inspections.** Inspections are an important part of ensuring that federally assisted housing is in good physical condition but can also be disruptive to both owners and tenants. HUD should consider an incentive of 30-45 days of advance notice of inspection for owners who across their portfolio have maintained a mean score that is within the top quartile of the national scoring distribution.[27] (ER)
- **Explore waivers and other flexibilities to property owners that had budgeted repairs in 2020 but had to defer them due to COVID-19**. The health emergency forced many delays and deferrals as it was not safe to enter units and conduct some repairs. Postponing the resumption of inspections and providing more advanced notice of inspections will afford much needed flexibility to allow owners to get back up to speed, manage the staff time and resources of managers and property staff across their portfolio, and allow greater focus on regular maintenance and services for residents. (ER)

POLICY DEVELOPMENT AND RESEARCH

- **Improve and expand broad scale data sharing between HHS and HUD,** to scale data matching for dual eligible households (those eligible for both Medicare and Medicaid) and to identify Medicaid eligible households. Both services and capital partnerships are often facilitated where there is a concentration of residents likely to be covered by Medicaid. This data can help facilitate partnerships, and demonstrate the resulting outcomes and savings. (ER)
- **Continue and expand upon collaboration with Centers for Medicare and Medicaid Services on how Medicare and Medicaid funds can be used to support programs** that use affordable senior housing as a platform for coordinating health, wellness, and supportive services and programs to help older adults remain healthy, age in their community, and reduce their use of costly health care services[28]. (CO) (ER)
- **Through the COVID-19 interagency task force and future collaborations, identify interagency opportunities to expand broadband access and continue virtual services that support resident well-being**, such as telemedicine. Explore lessons learned from COVID-19 waivers to permit broader use of telemedicine in institutional facilities and initiate demonstration programs in affordable rental housing. (CO) (ER)

[27] Notice PIH-2019-02 (HA) reduced the standard lead time from 30 days to 14 days for all properties.
[28] The Fiscal Year 2020 Joint Explanatory Statement to the HUD funding bill directs HUD to collaborate with the Center on this, and provides $500,000 for this project.