



National Association of Housing and Redevelopment Officials

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February 12, 2018

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street, SW, Room 20176
Washington, DC 20410-0500

Re: [Docket No. FR 6060-N-01] Advanced Notice of EnVision Center Demonstration¹

To Whom It May Concern:

On behalf of the National Association of Housing and Redevelopment Officials (NAHRO), I would like to offer the following comments to the United States Department of Housing and Urban Development (HUD or the Department) in response to the advanced notice titled “Advanced Notice of EnVision Center Demonstration” published in the *Federal Register* on December 12, 2017.

Formed in 1933, NAHRO represents over 20,000 housing and community development individuals and agencies. Collectively, our members manage over 970,000 public housing units, 1.7 million Housing Choice Vouchers, and receive over \$1.5 billion in Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) Program funding to use in their communities. NAHRO is unique in our ability to represent public housing agencies, local redevelopment agencies, and other HUD grantees of all sizes and geography.

This letter is structured into two major sections. The first section articulates some suggestions that NAHRO has to ensure that the EnVision Center Demonstration is successful. The second section responds to the HUD-provided questions.

While NAHRO has additional recommendations throughout this comment letter, NAHRO believes the following five recommendations will have a large impact on making the Demonstration a success:

1. Add an incentive (either additional funding or a package of regulatory waivers and flexibilities) for entities to volunteer to participate in the EnVision Center Demonstration;
2. Clearly finalize and articulate timelines and all other participant responsibilities before closing the deadline for applications;

¹ All citations are informal.

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3. Coordinate with other federal agencies (e.g., the Department of Labor, the Department of Education, the Department of Health and Human Services, etc.) to make sure that all federal resources are properly aligned to make EnVision Centers a success;
4. Build on the decades of work carried out by housing authorities across the country through the Resident Opportunities and Self-Sufficiency (ROSS) Grant Program, the Family Self-sufficiency (FSS) Program, the Jobs Plus Initiative Program, the Moving to Work (MTW) Program, HOPE VI, and the Choice Neighborhoods programs; and
5. To the extent that HUD will be tracking outcomes, the Department should create a research methodology that will measure the added value of EnVision Centers separately from the federal and local programs that are already in place (i.e., a research methodology that measures the value added of the EnVision Center).

Part I - Suggestions to Ensure a Successful EnVision Center Demonstration

There are certain things that HUD can do to make the EnVision Center Demonstration more effective. This section offers a series of suggestions that will help to ensure that the EnVision Center Demonstration is successful.

Create Incentives to Participate

One of the concerns that NAHRO members have expressed about the EnVision Center Demonstration is that there is no incentive to join the Demonstration. While EnVision Centers promote worthy goals, communities and PHAs can already independently bring services together; and by joining the Demonstration, they may be subject to additional reporting requirements and top-down direction without an offsetting benefit. According to our members, there are many localities that are already doing many of the things that are planned for these EnVision Centers, again making it important that HUD offer a reason to complete these same activities within the EnVision Center framework.

While HUD does state that it will offer “technical assistance, evaluation and monitoring, access to online resources such as the EnVision Center mobile application, access to stakeholder offerings made available to participating communities and a network of support from HUD’s departments,” this is not enough.² Although the notice does not specify what, specifically, technical assistance entails, we do not believe that this is a sufficient incentive. Evaluating and monitoring the success of the program will cost money to implement or comply with. Given the scarce resources that PHAs operate under, diverting resources to these activities will necessarily take them away from other activities. While the EnVision Center mobile application has the potential to be beneficial, at this time, the application merely describes the pillars and does not add value to PHA programs. While a community of other stakeholders is valuable, PHAs already have this through regional and local associations and partnerships of which they may participate. Finally, any extra HUD assistance would probably not offset the costs borne by PHAs participating in the EnVision Center Demonstration.

There are two ways that HUD can rectify this. First, HUD can offer additional funding for the additional services required for the success of the EnVision Center and to offset the costs of increased administrative burdens. Second, HUD can offer a package of regulatory flexibilities to allow PHAs to utilize their present funding more creatively and efficiently to cover extra services.

² 82 Fed. Reg. 58,442.

1. Offer Funding with the Demonstration

The Department should allocate funding to the Demonstration. It can show its commitment to this program by requesting funding for it. This funding should not only include money for HUD to administer the program, but should also include funding for PHAs to administer the program. This funding is crucial to allowing PHAs to properly administer EnVision Centers without reallocating money from other areas and indirectly adversely impacting other core competencies.

This funding will do two things. First, it will signal to potential applicants that HUD is serious enough about this program that it is willing to put money behind it. Second, it will potentially allow for additional funding to actually deploy the services provided through the EnVision Center and to offset the additional administrative burdens that participation will entail. This additional funding will offer an incentive for communities and agencies to participate in the Demonstration.

2. Offer a Package of Regulatory Flexibilities with the Demonstration

Alternatively, or perhaps concurrently, HUD should offer participating entities a package of regulatory flexibilities. While not costing HUD any additional money, these flexibilities would allow local communities to quickly establish their programs without the hassle of navigating the federal bureaucracy's red tape. If HUD should decide to go this route, NAHRO recommends that HUD solicit additional feedback on the specific regulatory waivers that would be most useful in implementing this program from HUD's stakeholders. Additionally, NAHRO recommends that HUD specifically seek advice from PHAs participating in the MTW Demonstration. These PHAs have experience in maximizing the utility of their limited funding by creatively using regulatory waivers.

Offering either, or both, of these to potential applicants would create a stronger incentive for PHAs and communities to participate in the initiative. Absent additional funding, the Demonstration should also make clear that services will be provided by equal partners and not by the PHA.

Articulate Responsibilities, Costs, and Timeline of Demonstration Participants

The Department should ensure that all potential applicants are fully aware of their responsibilities, the timeline for completion of those responsibilities, and any other potential costs involved in participation before HUD stops accepting applications for the Demonstration. In the past, NAHRO has stated its preference for dividing the period when a Demonstration is being commented on and when a Demonstration is accepting applications.³ This bifurcation would ensure that potential participants only commit to a new program or initiative once the details of the program or initiative have been finalized.

At this time, there are key elements to the EnVision Centers Demonstration that remain unknown. Until they are known, entities may not want to commit to undertaking the initiative. Components that could use clarification include a description of the areas where metrics will be applied; reporting requirements; additional information on new guidelines that program participants would have to follow; additional

³ See NAHRO's comment letter on FR-5928-N-01 titled "Notice of Demonstration To Test Proposed New Method of Assessing the Physical Conditions of Voucher-Assisted Housing," page 3, <https://www.regulations.gov/contentStreamer?documentId=HUD-2016-0044-0009&attachmentNumber=1&contentType=pdf>.

funding or regulatory flexibilities that may come along with participation; and anticipated timelines. Most potential applicants will want to complete their due diligence before committing their scarce time and funds to this Demonstration.

Create a Research Methodology that Measures the Value Added by EnVision Centers

Localities should be primarily responsible for creating and using metrics, but HUD may want to consider defining the categories that the localities use. In developing these categories, the Department should only offer suggestions and best practices to communities. Localities should be creating the metrics that best fit their communities.

Without imposing additional reporting requirements, HUD should utilize a methodology that measures the added value of the EnVision Center and not only programs the EnVision Center is tying together. If the Department does the latter, then it will only be receiving reporting on the value of the previously implemented programs. While there is a benefit in understanding the value that those programs bring to participants, the goal of this Demonstration should be to focus on the added value of the EnVision Center. The Department needs to think through how it would differentiate successes from the EnVision Center and successes from the federal programs that are already improving outcomes.

Coordinate with other Federal Agencies

All federal resources should be properly aligned to make EnVision Centers a success. This initiative should not be limited to the Department of Housing and Urban Development. Other federal agencies have programs and other resources that could be beneficially used for EnVision Centers. The Demonstration should ensure that complimentary programs in other federal agencies are being utilized; additionally, there is technical expertise at these agencies that could be beneficial in the EnVision Center Demonstration. These federal partners will be key to sustaining this initiative into the future.

Consider Virtual Centers

The Department should look into creating a set of best practices for virtual centers, where despite the lack of a physical space to bring together services, there is an online space to bring together services. While this may not be a viable option in many communities, it deserves investigation. This also has the potential to be a cost-saving feature in some areas, though depending on the skill set of the local population, this may not be feasible.

Part II - Responses to HUD's Questions

1. In administering and evaluating the demonstration, how should HUD define "economic mobility"?

Localities should be primarily responsible for creating and using metrics, but HUD may want to consider defining the categories that the localities use. In HUD's suggested categories, HUD should stress that economic mobility should be measured along a spectrum and not defined as a binary choice of economically self-sufficient and not economically self-sufficient. The presence or absence of a subsidy should not be the sole metric in evaluating successes, but all progress towards self-sufficiency should be tracked. That is, while achieving total self-sufficiency is an admirable goal, more modest gains (e.g., a raise in earned income, but not enough to be totally self-sufficient) should not be dismissed. All steps

towards self-sufficiency should be encouraged. Of course, if localities, decide that a binary choice is warranted, they should be free to use that as a metric.

Finally, in addition to focusing on the economic mobility of adults, EnVision centers should strive to improve outcomes for children. Creating positive impacts on children will have long-term benefits and though the impacts may not be seen for several years, they may be greater in magnitude and longer lasting than impacts in adults.

2. How can HUD tailor the Economic Empowerment Pillar of the Demonstration to identify and focus on families and individuals residing in HUD-assisted housing that are able to work, and not those who are elderly or include persons with disabilities?

One of the strengths of this Demonstration is it is voluntary. Likewise, individuals of any age and ability should have the opportunity to benefit from the program's offerings, should they choose to. That being said, the Department should exempt households that are elderly or include persons with disabilities.

3. How can HUD and identified partners (state and local entities, private sector, philanthropic, non-profit and other entities) best maximize existing programs and efforts across agencies in a coordinated and holistic approach?

The Department and other identified partners can best maximize existing programs and efforts across agencies in a coordinated and holistic approach by utilizing the collective impact model.⁴ This model seeks a "commitment of a group of important actors from different sectors to a common agenda for solving a specific social problem."⁵ This model is best used when tackling complex social problems where the best path forward is unknown (e.g., a citywide effort to reduce or prevent obesity).⁶

There are usually five conditions for a successful collective impact collaborative. They are the following:

1. **Common Agenda** - all participants should have a shared understanding of a problem and joint approach to solving it;⁷
2. **Shared Measurement System** - the group should have a shared system to measure progress so that all participants can judge their efforts and hold each other accountable (importantly, HUD should only define categories for metrics, but should not mandatorily impose metrics, so that the local group can work together to choose the appropriate metrics or work within HUD's suggested categories to best suit their locality);
3. **Mutually Reinforcing Activities** - each participant should complete activities that are in their areas of expertise that support and coordinate with other activities in the group;
4. **Continuous Communication** - participants should meet regularly to develop trust among each other, create a common vocabulary, and share knowledge with each other;
5. **Backbone Support Organizations** – there should exist a separate entity to serve as the backbone for the collaboration; this entity requires a dedicated separate staff that "can plan, manage, and support the initiative through ongoing facilitation, technology and

⁴ See John Kania and Mark Kramer, "Collective Impact," *Stanford Social Innovation Review*, 2011. https://ssir.org/images/articles/2011_WI_Feature_Kania.pdf.

⁵ Kania and Kramer, 2011, p. 36.

⁶ Kania and Kramer, 2011, p. 38.

communications support, data collection and reporting, and handling the myriad logistical and administrative details needed for the initiative to function smoothly.”⁸

Our members have found that by following this model, groups of organizations can tackle complex social problems. The Department should structure the EnVision Center Demonstration around this model. One important point to remember is that participants should decide on what the important metrics are for social change. While HUD should provide technical assistance, designing and picking metrics should ultimately be done at the local level with input from all partners involved in the initiative. This will ensure that communities have ownership of their metrics and properly align all local resources towards the common goals.

Finally, at the federal level--as previously mentioned--HUD should look to other agencies to see how those agencies can align their resources to maximize the benefit provided by EnVision Centers. Additionally, other entities that receive federal funding that align with the goals of EnVision Centers should be encouraged or required to coordinate with their local PHAs. The Department should also be responsible for compiling this information and making it publicly available. Identifying and reaching out to potential partners for each of the Demonstration sites will greatly improve the likelihood of success for this Demonstration program.

4. What impediments exist for achieving the four pillars, including institutional, organizational, legal or statutory, and behavioral impediments? Is it necessary to the success of the demonstration that communities link all four pillars, and if not, would it be sufficient for a community to identify in its participation plan the barriers to including a specific pillar? Are there additional pillars that contribute to self-sufficiency and economic mobility that should be made part of the demonstration?

One of the consistent themes that we hear from our members is that the biggest impediment to achieving the goal of most HUD programs is the lack of adequate funding to match the designs of the program. While it is certainly possible to use funds more effectively and efficiently (especially with regulatory burdens eased and greater local input in the design of the programs), there does need to be a reasonable amount of funding either provided to the PHAs or supplied by stakeholders identified by HUD and other federal agencies. Communities should have an opportunity to opt out of a pillar, if sufficient local efforts are underway or opt out if no credible local partners are accessible.

5. What incentives and programs have worked in the past to achieve the four pillars?

PHAs have decades of experience implementing programs designed to advance positive educational, economic, and health outcomes. Through the FSS, ROSS, Jobs Plus, HOPE VI, Choice Neighborhoods, and workforce development initiatives tied to Section 3, the industry has years of best practices to draw from. Additionally, agencies designated with Moving To Work status have coupled best practices with local flexibility to shape programs. Two studies, by Abt Associates and the Public and Affordable Housing Research Corporation (PAHRC), have compiled these practices into reports.⁹

⁷ Kania and Kramer, 2011, p. 39.

⁸ Kania and Kramer, 2011, p. 40.

⁹ See Jill Khadduri, et. al., “Innovations in the Moving to Work Demonstration,” Abt Associates, 2014, <http://abtassociates.com/Reports/2015/Innovations-in-the-Moving-to-Work-Demonstration.aspx>; See also Buron, et. al., “Testing Performance Measures for the Moving to Work Program,” PAHRC and Abt Associates, 2017, <https://www.housingcenter.com/mtw-resources/>.

6. What elements and level of detail should HUD require in a community’s participation plan?

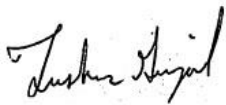
HUD should not be overly prescriptive in a community’s participation plan. While HUD should make recommendations about timelines, milestones, and a suggestion to list partners and the number of families or individuals PHAs hope to serve, it should leave it to the program participants and other cooperating entities to decide the specifics of the plan that they are going to be operationalizing. This will give the local community ownership of the plan and allow them to craft a plan that they know will work in their communities.

7. How should HUD define and measure economic mobility over time and space? How should HUD measure quality of life for residents that remain in assisted housing?

As previously mentioned, HUD should offer suggestions on categories for measurement, but localities should be able to choose their specific metrics.

Again, NAHRO thanks the Department for soliciting feedback on this Demonstration and looks forward to working collaboratively with HUD on this and other issues. Please feel free to contact me at tgurjal@nahro.org if you would like to discuss this comment letter in further detail. Thank you.

Sincerely,



Tushar Gurjal
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