Qualitative Interviews with Sample of PHAs.

Email From HUD to Sites

Dear [PHA Contact]:

I am writing on behalf of the U.S. Department of Housing and Urban Development (HUD) to ask for your help with an important study being conducted to better understand certain aspects of the Rental Assistance Demonstration (RAD). Within a week, you will be contacted via email by Econometrica, Inc., a research firm based in Bethesda, MD, that HUD has contracted to conduct the research effort.

Econometrica will be contacting you to schedule a 1- to 2-day site visit. During the visit, they will talk to staff members involved in the RAD conversion and the current administration of the public housing authority. We estimate that the site visit will take approximately 8–10 hours, depending on the number of interviews scheduled with different staff members. I hope you will be willing to participate.

The research can only be successful with the generous help of people like you.

I thank you in advance for your help.

Sincerely,

[HUD Official Name]
Department of Housing and Urban Development
[HUD Official Title]

This data collection was approved by the Office of Management and Budget (OMB). The OMB control number is x and expires on x.

Email From Econometrica, Inc., to Sites

To be sent following the above pre-notification from HUD.

Dear [PHA contact]:

The U.S. Department of Housing and Urban Development (HUD) is seeking your help. HUD needs your feedback as part of a study of the Rental Assistance Demonstration (RAD). The purpose of the study is to understand the demonstration's effect on organizational change. HUD's Office of Policy Development and Research has contracted with Econometrica, Inc., a private firm based in Bethesda, MD, to conduct an independent evaluation of the RAD.

You are 1 of 25 sites selected for a site visit to provide information on how your organization has adjusted to the RAD conversion. We are seeking information about your administrative processes and any overall organizational changes. While your participation is ***voluntary***, it is important that you respond. What you tell us will help in the study of RAD. Your answers will be kept confidential to the greatest extent possible. However, given the limited number of PHAs included in this study and the types of positions respondents occupy, it may be possible to infer who participated in the interviews.

The site visit will take 1–2 days. In preparation, we will work with you to schedule the best time for the visit and to identify the staff members best equipped to provide the necessary information. We would appreciate if you could share an organizational chart and any documentation related to organizational changes you made related to RAD. We will also share a copy of the key interview questions so you will know what to expect during the site visits.

If you have any questions about the site visit or the study, please do not hesitate to contact Econometrica at [insert a phone or email address here].

Thank you in advance for your assistance.

Sincerely,

Econometrica, Inc.

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Interview Guides

Interview Guide Introduction and Informed Consent

Interview Lead: My name is *[name]*, and this is/these are my colleague(s), *[name(s)]*. We work for *Econometrica*, a research organization in Washington, DC. Thank you for talking to us today. We are here to talk to you about your experience with the Rental Assistance Demonstration (RAD) program. This interview will focus on [*PHA name*]'s changes in organization and property administration as a result of the RAD implementation(s). Findings from this research will be used to develop recommendations to the U.S. Department of Housing and Urban Development (HUD) and other public housing authorities on operating RAD programs. It may also inform future research efforts focused on RAD program housing and residents. The research is funded by HUD.

We know that you are busy, and we will be as focused as possible. We have many questions and are going to talk to many different people, so please do not feel as though we expect you to be able to answer every question. Your participation in this discussion is voluntary. That means you may choose to skip any questions you wish, refuse to participate, or stop the interview at any time.

Everyone who works on this study has signed a confidentiality pledge that they will not tell anyone outside the research staff anything you tell us during an interview. The researchers on this study will keep all of the information completely confidential. Only the people doing the research will see any information that identifies you personally. Themes across all of the conversations we are having will be published in a report to HUD. When we write our reports and discuss our findings, the answers you provide during an interview will be combined with answers from many individuals. We never share any information that identifies you or any other respondents by name outside of our evaluation team. However, if you are in a position that makes it so that you are the *only person* who could know a certain piece of information, it is possible someone reading a report might infer the source of the information. We make every effort to avoid this, but you should be aware of the possibility.

The interview will last up to **90 minutes**. My colleague, *[name]*, will be taking notes today to make sure we capture everything you say accurately. We would also like to record the session today to back up the notes. If you do not object, we will go ahead and record, but if you have concerns, we can proceed without the recording.

HUD Representative (if present): My name is [*name*], and I am with the Office of Policy Development and Research at HUD, the agency working with [*PHA name*] on the implementation of the RAD program. If you agree, I would like your permission to observe how Econometrica conducts this interview. I would like you to know that I am only here to monitor the research and I will not use any of your personal information or discuss any of the experiences you describe during this interview for any other purpose. Your responses will remain confidential.

If you have any questions, you can contact:
- Dennis Stout, the Project Manager from Econometrica, at (240) 204-5155.

- Teresa Souza, the Project Officer from HUD for this study, at (202) 402-5540.

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Privacy Act Statement

Authority: Section 502 (g) of the Housing and Urban Development Act of 1970 (Public Law 91-609) (12 U.S.C. §§ 1701z-1; 1701z-2(d) and (g)).
Purpose: Evaluation of the Rental Assistance Demonstration (RAD) Program.
Routine Use(s): The information will be used for the purpose set forth above and may be provided to Congress or other Federal, state, and local agencies, when determined necessary.
Disclosure: Disclosure of personal information is voluntary. Failure to disclose the personal information requested will not affect individuals.
System of Records Notice (SORN): PD&R/RRE.01 published in the Federal Register on January 22, 2015 (FR-5843-N-01),
https://www.govinfo.gov/content/pkg/FR-2015-01-22/html/2015-01029.htm

Do you agree to participate?

    [Pause for response.]

Are you comfortable with this interview being recorded?

    [Pause for response.]

Do you have any questions before we begin?

    [Pause for questions.]

OK. We are going to turn on the audio recorder now.

Questions for Executive Director

1. Describe *[PHA's name]*'s staffing overall.

   a. Can you provide a copy of your organizational chart? Do you have access to any organizational charts from prior to the RAD conversion(s)?

   b. Approximately how many people are part of *[PHA's name]*'s staff? *[Probe for more information on specific staff roles: Property management, voucher program management, asset management roles.]*

   c. What are your main responsibilities?

   d. How are their roles different from yours?

2. Have you used the RAD program for rehabilitation or new construction of any of your projects? Are any of your conversions "paper" (that is, non-financial) only?

3. On approximately what date was/were the conversion(s) complete? Are there any conversions in progress?

4. Have all of your public housing projects been converted? If not, approximately what percentage of your tenants are served under RAD projects?

   [Note: we will add this information to the interview guide for each site where it is available and double check the information in a pre-interview email and on-site if necessary.]

   a. Do you have plans to use the RAD program to convert some or all of your remaining public housing projects?

   b. Has the RAD conversion caused a positive or negative impact on the management of your public housing portfolio that didn't convert to RAD? Please explain.

5. What was the purpose for seeking a RAD conversion?

   a. What financial benefits were you seeking?

   b. What organizational benefits were you seeking?

   c. Were there any other motivations behind your decision to pursue RAD? Please explain.

6. If you undertook RAD for financial reasons, did you anticipate organizational changes? Did you make any preparations or adjustments? Did you provide a training or briefing to your staff? Please describe.

7. Have there been any changes in *[PHA's name]*'s board leadership or any structural or organizational changes in the board that you can attribute to the RAD conversion(s)?

8. For each of the developments that are part of the *[PHA's name]* RAD program:

   a. Did *[PHA's name]* retain ownership of the development? If not, who owns the development now? What type of ownership structure was set up to administer the development?

      i. *[Probe for PHA's role, whether there are multiple owners, use of affiliates or subsidiaries, PBV or PBRA.]*

   b. Does *[PHA's name]* manage the property, or is it managed by a different organization?

   c. *[If a private company:]* Which company? Why did you select them? What can you tell me about their experiences in managing subsidized/affordable properties?

      i. Overall, are you optimistic or pessimistic about the entity's management of the projects?

      ii. If you are pessimistic or unhappy about the current management, what are some of your main concerns about the way in which the entity is managing the projects?

9. Have long-term strategic goals or incentives changed since the conversion(s)? Who was responsible for these decisions prior to the conversion(s)? Who is currently responsible?

10. Has the change in ownership structure impacted your *[PHA's name]*'s administration or management of your RAD projects?

    a. *[If yes:]* What are some of these impacts?

    b. In your view, are these impacts beneficial, burdensome, or neutral?

Questions for Finance Person/Director of Property Management

11. Was your organization already employing an asset-based cost allocation method prior to RAD conversion?

12. What type of debt was used in the conversion(s)?

    a. Was mortgage debt or Low-Income Housing Tax Credit (LIHTC) used to finance the conversion(s)?

13. Is your property currently earning more, as much, or less revenue (such as Housing Assistance Payments contract payments, tenant payments, and other revenues) than it did before conversion?

    a. Did any changes in revenue attributed to RAD lead to organizational changes?

14. How did operating costs change?

a. Is your property currently incurring greater, the same, or lower operating expenses than it was paying before conversion? Have there been any changes in expenditures for administrative, tenant services, utility expenses, maintenance, protective services, real estate taxes, property insurance, or liability insurance?

b. *[If they answered "I don't know":]* What limitations are you experiencing that cause you to be uncertain of the answer (for example, lack of data or staffing)?

15. Since RAD conversion, how much, if any, of your organization's distribution of cost changed from project-based to corporate support?

a. Have you experienced any conflicts or concerns in obtaining or corporate support in cost distribution?

16. Are there any projects in your public housing portfolio that have not been converted under RAD?

a. *[If yes:]* Do you feel that your public housing projects that didn't convert under RAD are more limited in operational or capital funding? Less limited?

i. In what ways are your public housing projects that didn't convert to RAD more limited in obtaining or administering operational funding?

ii. In what ways are your public housing projects that didn't convert to RAD less limited in obtaining or administering capital funding?

17. Does *[PHA's name]* administer any RAD project-based voucher (PBV) units?

a. Since the conversion, have you experienced an increase in administrative costs in managing or administering the PBV units?

i. *[If yes:]* How are you able to offset these increased costs?

ii. Has the PHA incorporated or leveed additional administrative fees or increased existing administrative fees to cover these costs?

18. Does *[PHA's name]* also administer RAD project-based rental assistance (PBRA) or LIHTC units?

a. *[If yes:]* Are there any differences in *[PHA's name]*'s management approach in how the PBV, PBRA, and LIHTC units are administered? Please explain.

19. Does *[PHA's name]* administer any PBV units that were in place prior to the RAD conversion? If so, is there any difference in how you administer the RAD converted PBV units?

20. Has *[PHA's name]* incorporated any new financial reporting requirements? Please explain.

21. Overall, have you found that the RAD conversion provided more freedom in obtaining or administering funding for your RAD developments?

22. In the next 5–10 years, how do you expect this project to perform financially?

    a. Generate positive cashflow (in other words, revenues exceed expenses).

    b. Just break even.

    c. Generate negative cashflow (in other words, revenues insufficient to cover operating expenses, debt service, and reserves).

    d. Unsure or do not know.

23. If your project generates positive cashflow over the next 5–10 years, how do you think you would use that cashflow?

    a. Invest in the project. How?

    b. Invest in other projects. How?

    c. Spend on other affordable housing activities. Which ones?

    d. Not sure.

24. Has your converted project(s) faced any of the following financial challenges? Note all that apply. Please provide specific examples for each challenge identified.

    a. Late payments on debt.

    b. Insufficient cashflow to fully fund reserves for replacement.

    c. Unexpected expenditures.

    d. Unexpected declines in revenue.

    e. Other challenges (please describe).

        i. *[If the respondent answered yes to any of the above examples, including "Other challenges," ask:]* How did you manage these challenges, and what steps did you take to resolve the situation?

25. Have there been many households for which rent increased after RAD conversion? Are the rent increases being phased in over some time period?

26. In your opinion, why do you think rents did or did not change?

    a. *(Prompts: Was it due to an increase in unit size? Differences in income eligibility requirements? Some other factors?)*

27. Who is responsible for budget management decisions? Was there a major change as a result of the conversion in how operating budget decisions are made?

    a. Were any new data systems implemented as a result of the conversion?

Questions for Program Manager

28. Are there any skills or roles that were previously obligatory in the organization that are no longer necessary? Please describe them.

29. What new skills have PHA staff had to learn in order to administer the RAD project(s)?

    a. Have you retrained or reassigned any staff members to new responsibilities?

    b. Have any staff members been let go as a direct result of the conversion?

    c. Did you or are you currently investing in new systems that will help internal PHA staff better administer the project?

30. How much of the administration and management responsibilities, if any, have been outsourced to an outside entity?

31. Who in *[PHA's name]* is responsible for making decisions about acquisitions and dispositions? Have these responsibilities changed since the RAD conversion?

32. Who in *[PHA's name]* is responsible for making capital investment decisions?

33. Have the processes for funding, analysis, and overseeing investment decisions changed significantly as a result of the conversion?

34. Are the staff members responsible for administering the RAD developments overseen directly by *[PHA's name]*? The board? Or an outside entity?

35. Have property management policies and procedures changed since converting your property through RAD? Please explain how they have changed, why they have not changed, or if you are uncertain about any changes.

36. Has *[PHA's name]*'s role in managing and administering developments decreased, increased, or stayed the same as a result of the RAD conversion or ownership change?

37. Has *[PHA's name]* had to hire additional staff to fill new responsibilities required by the RAD conversion or ownership change?

    a. How many new staff members have been brought in?

    b. What positions and responsibilities were or are being filled by new PHA employees?

38. Have you retrained or repurposed PHA staff as a direct result of the RAD conversion?

a. What new skills have PHA staff been trained in to address changes as a result of the RAD conversion?

b. What skills or roles that were previously obligatory in the organization are no longer necessary?

39. Has *[PHA's name]* adopted new accounting, administrative, communication, or other data systems as a direct result of RAD?

a. If so, what new systems have you incorporated, and have they positively or negatively impacted your staff's productivity?

i. *(Prompt: Mention the Tenant Rental Assistance Certification System (TRACS) or Integrated Real Estate Management System (iREMS) as systems that other PHAs have incorporated.)*

40. Have long-term strategic goals or incentives changed since the conversion(s)? Who was responsible for these decisions prior to the conversion(s)? Who is currently responsible?

41. Overall, how has adoption of RAD affected PHA staff morale?