CGI

Respond
Rebound
Reinvent

The Impact of COVID-19 on Public Housing Authorities

Reinventing as digital organizations to meet the challenges ahead

WHITE PAPER

Introduction

Millions of Americans lack access to stable housing. The COVID-19 pandemic has only amplified the impact of housing insecurity and the dire need for affordable housing within our communities. Lack of housing places extreme stress on individuals and families even during periods of relative calm. Economic uncertainty due to pandemic-related business closures has led to high unemployment, increasing the likelihood that even more Americans will need assistance.

Throughout the pandemic, public housing authorities (PHAs) have remained diligent in helping families obtain access to safe, sanitary and decent housing. Already under significant financial pressure due to lack of adequate funding, PHAs now face an even greater need for assistance.

In response to the unprecedented need, the Department of Housing and Urban Development (HUD) has released over $400 billion to assist communities and public housing authorities in responding to the crisis. PHAs are authorized to use those funds to cover items including, but not limited to, overtime pay to carry out program operations, costs related to the retention and support of participating Housing Choice Voucher Program (HCVP) owners, and necessary upgrades to information technology (IT) and computer systems to support telework.

Pandemic creates new challenges for stressed system

The already stressed affordable housing support system has faced new, unforeseen challenges in light of the ongoing national emergency. While many PHAs had documented disaster response plans, most were focused on natural disasters. Few, if any, had anticipated the impact of a global pandemic on their operations and interactions with the communities they serve.

Many housing authorities were unprepared for remote operations, requiring immediate investment in laptops, mobile devices and collaboration technologies.

Many PHAs, challenged by interruptions to their traditional paper-based processes and in-person operating models, discovered they needed to adapt their playbooks for effective operations in a remote model. PHAs had to rapidly rethink their technology supply chain, including hardware, software, infrastructure and security. Staff needed immediate access to laptops and other technologies, such as virtual private network (VPN) access and collaboration tools, to securely operate via virtual meetings.

PHAs needed to quickly establish new protocols to maintain continuity of core operations and mitigate the risks of disruption to the availability of information and services. At the same time, PHA leaders worked diligently to understand voluminous new federal guidance from HUD and the Centers for Disease Control (CDC), address staff absences due to illness or family obligations, respond to community member food insecurity and childcare challenges, and procure the disinfectants and other sanitation services required to protect residents in PHA-owned properties.

Housing Authorities respond with intense focus and creativity

Understanding the risks that homelessness and housing insecurity pose to individuals' health, agencies identified out-of-the-box approaches to meet challenges such as handwashing stations for the homeless and temporary motel room stays for those with immediate housing needs. Facing changing guidance on subjects like wearing masks, they delivered outreach to their communities on topics such as CDC guidance, locations of food pantries, finding childcare, dealing with issues related to in-home schooling, and how to safely seek healthcare for existing conditions or new ailments.

In response to updated HUD guidance, PHAs have also had to adapt many of their existing processes and procedures. HUD waived certain statutory and regulatory requirements and established alternative methods to support operations due to the public health emergency. For example, HUD waived or delayed due dates for requirements such as quality control inspections, biennial inspections and annual tenant recertifications. HUD chose to waive use of the income hierarchy, allowing PHAs to forgo third-party income verification for annual and interim recertifications, including the use of Enterprise Income Verifications. Owners can now self-certify for Housing Quality Standards inspections using remote video verification of on-site conditions, enabling PHAs to delay inspection to a date up to one year from the date of the owner's self-certification. These changes free up PHA staff to focus on other operational priorities.

Moving to a remote operational model, with PHA staff working primarily from their homes for multiple months, required a concerted and previously unanticipated IT effort.

One of those priorities has been determining how to transition from a primarily in-person interaction model, particularly with public housing residents and HCV participants and applicants, to a virtual model. We call this enabling the future of work to recognize the new work practices, skills and technologies that will continue to be adopted to enable remote work and citizen services through secure digital channels.

Multiple PHAs have moved training sessions and tenant briefings to web-based applications. Virtual operations can become challenging, as not all applicants and residents have access to laptops, smartphones or wireless connections. Libraries, which the homeless and lower-income Americans often rely on for internet access, have largely remained closed for many months. Resident Service Coordinators and other staff have had to quickly address these limitations for the community members they serve.

Moving to a remote operational model, with PHA staff working primarily from their homes, has required a concerted and previously unanticipated IT effort. While telework has been common within the private sector and some public sector components since the signing of the Telework Enhancement Act in 2010, most PHAs have operated entirely in an office-based, in-person model. PHAs needed to quickly obtain laptops, mobile hot spots and collaboration tools to enable their staff to work remotely. Nearly every interaction across the PHA needed to be moved to a virtual model—from applicant briefings to Board meetings. Given the sensitivity of the data transmitted and stored within PHA IT systems—including Personal Identifiable Information (PII) and sensitive income-related data—agencies needed to quickly assess the security of their systems and networks.

Lessons learned: digital organizations were able to respond more flexibly

During these challenging times, PHA executives and staff have demonstrated their ability to respond with great agility and creativity to the challenges before them. Their efforts have been vital to the communities they serve. While new infection hot spots emerge and other communities see infection numbers decrease, the long-lasting impacts of the pandemic on the economy, and the affordable housing industry, are yet to be fully understood. Signs point toward continued and growing need for additional affordable housing across the nation, challenging PHAs that already face limited funds and extensive community need.

> **Our conversations with PHAs across the country reveal that those that have invested in digitizing operations have performed better during the crisis.**

The crisis has exposed challenges that most PHAs face related to digitization of their operations, regardless of their size. The reliance upon in-person interactions and paper-based processes has long hindered PHAs from reaching productivity and efficiency gains. The COVID-19 pandemic has revealed additional impacts for many PHAs, including:

- Challenges in effectively communicating with residents, applicants and landlords in the most complete and timely manner
- Inability of staff to electronically access information required to support participants and other constituents
- Ineffective integrations between PHA IT systems, resulting in data errors and programmatic gaps
- Inequality in digital access across communities, impacting a PHA's ability to provide the optimum support to all community members in need

Our conversations with PHAs across the country reveal that those that have invested in digitizing operations have performed better during the crisis. These early adopters pivoted to new realities with agility and continue to double down on technology investments. Those that have lagged behind with technology must move beyond the immediate triage actions they have taken, such as investing in laptops and web collaboration tools, and analyze how they can become truly digital organizations.

Fortunately, CARES Act funding can be used to help agencies streamline and digitize key aspects of their operations, such as the move to paperless records. Other IT priorities, such as mass notification systems for communicating with community members, are also eligible for funding under the Act. While teleworking is a temporary solution for most PHAs, the benefits of digital transformation extend far beyond the return to the office.

Improving operations to ease future burdens

As housing authorities look to rebound from the initial impact of the pandemic and prepare for the possibility of additional phases of the crisis, they face an even greater number of families and individuals in need of assistance in finding affordable housing. The economic impacts of the pandemic are straining the limits of communities already facing a long term housing crises. As PHAs face a future fraught with challenges, they also are recognizing opportunities to make measurable improvements in operations that can ease the burden and enhance the way their staff members work and interact with community members.

In analyzing potential priorities, CGI recommends that PHA executives consider how continuing to invest in digital transformation can make a significant impact on their mission and help reinvent their effectiveness for the communities they support.

1. **Continue to invest in solutions that promote collaboration and realize productivity gains across housing authority staff.** Despite stay-at-home orders being lifted in many communities, some PHAs are still operating under a telework model. The investments made to enable the immediate move to telework will continue to reap dividends, even after staff return to the office. Enabling a more mobile and collaborative organization supports the ability of PHA staff to better communicate internally and increase interaction with constituents in the field.

PHAs must carefully consider the security of their systems within a mobile or telework environment. This may include investment in a VPN to secure access to data and system assets. Organizations with older network and cyber technologies may look to upgrade or replace current systems to support a more mobile or remote workforce.

2. **Meet consumer expectations for digital citizen-to-government interactions and improve communications with your stakeholders.** Investment in digital interaction models with PHA constituents must be a priority. To minimize in-person interactions, and to more flexibly meet the needs of applicants and participants, PHAs can move briefings from in-person to webcast or video call. This minimizes effort for the PHA, enabling staff to replace one-on-one in-person briefings with group or pre-recorded briefings, including digital mechanisms for the applicant or participant to confirm understanding and completion of the materials. Families no longer need to travel to the PHA office to complete these activities, saving time and money associated with transportation or missed work.

Many PHAs have begun to explore development or expansion of web-based portals and mobile solutions. Applying modern technologies, PHAs can develop portals that enable tenants to electronically submit paperwork such as pay stubs and bank statements. Enabling flexibility in portal-based transactions can increase the

> **Becoming digital organizations to meet increasing citizen expectations continues to be the #1 trend for state and local business and IT leaders.**
>
> *(Source: 2020 CGI Client Global Insights)*

speed in which data are received. Through effective user experience design, PHAs can create easy-to-complete forms and enforce submission of all required data points to eliminate the need to follow up with constituents. Experienced user-centered design experts understand how to create forms and processes that enable individuals with minimal computer experience to complete activities without the need for training.

PHAs are also recognizing the value of investing in interactive services to communicate to their stakeholder communities. Technologies, such as CGI Notify™, enable delivery of SMS (text), voice and email messages to PHA residents and program participants can communicate timely information on topics ranging from the latest health advisories to food assistance locations. These technologies can also be integrated with PHA case management systems to notify individual residents and landlords of the date and time of the next residence inspection. Solutions in this market may also enable the capture of incoming responses, such as text or emails, directly into PHA systems via data application programming interface (API), supporting audit trail and recordkeeping requirements.

Many PHAs have found it challenging to monitor caseloads from a remote telework model. To ease this burden, organizations may look to solutions such as Voice over Internet Protocol (VoIP) to provide insight into the volume, type and length of phone calls and to understand the level of responsiveness to tenant, applicant and/or landlord

inquiries. Such technology investments can provide greater transparency into current operations to help drive resource management decisions, which may include hiring additional staff, retraining current staff or adjusting working hours to meet peak time needs.

3. **Partner to expand digital access across the communities you serve.** As PHAs move interactions and processes to digital formats, they will need to ensure that the communities they serve can access online services. Individuals and families facing affordable housing challenges may not have access to laptops, smart phones and home-based internet access. PHAs can help their communities obtain greater access to digital technologies through partnerships with other community service organizations, as well as from corporations via donation, grants, or corporate social responsibility programs. For example, PHAs may work with local companies to donate used laptops in order to establish computer rooms within PHA-owned properties. Other initiatives could include partnering with community-based organizations to teach older residents how to communicate with the PHA online.

Economic disparities leading to the "digital divide" are well documented, and programs such as HUD's ConnectHomeUSA are working to expand broadband access to underserved communities. With the move to virtual learning for school-aged children across many localities, the government is increasing its investment in programs to enable low-to-moderate income families to obtain access to free internet services. PHAs can play a critical role in these programs through outreach to the residents they serve.

4. Invest in data analytics for greater insights into the communities you serve, your own operations, and the effectiveness of your programs. Organizations across the public sector are seeking to enable more data-driven decision making. With an ever-increasing demand for assistance and limited operating funds and administrative fees, PHAs must be confident that programs, policies and processes are optimized to meet the needs of the community.

The economic and demographic landscape of the communities PHAs serve continues to evolve, the pandemic has led to shifts in the number and background of those seeking affordable housing assistance. Communities with a high percentage of current applicants and tenants over the age of 60 may see more families or younger individuals who have faced employment uncertainty or job loss apply for services. PHAs can use technology to join program data with demographic data, gaining significant insights into changing demographics. Data visualization can aid in identification of emerging "hot spots" or areas facing mobility challenges. These insights can inform programs, investments and allocation of resources to make a significant impact on the communities and individuals served.

PHAs have long faced challenges recruiting and retaining landlords for HCV programs. As the number of applicants for services continues to grow, need to attract new landlords and retain existing landlords involved in the HCV program is crucial. When considering investment in marketing and outreach campaigns or incentive payment programs, PHAs must consider the importance of data for analyzing the current and potential landlord pool. Technology can enable more effective collection and analysis of landlord and programmatic data, identifying trends that may not have been previously recognized.

Analytics can also assist in evaluating the effectiveness of long-standing procedures or new processes implemented as a result of the pandemic. For example, PHAs may wish to monitor the number of hours spent on determining initial eligibility and annual/interim income certifications in order to adjust caseloads and improve productivity. Similarly, leaders may benefit from dashboards that provide visibility into key performance indicators such as status of file certification, file error types (incorrect asset calculation, missing or incomplete documentation, etc.), error rates by staff members, error frequency, trends, and other indicators that will help identify weakness and improve a PHA's file accuracy. Dashboards support effective decision making, enabling PHAs to quickly identify recurrent problematic issues and/or negative trends, determine error sources, and working toward improving file accuracy through training or other process improvements.

Conclusion

PHAs quickly responded to the unforeseen challenges faced by America's communities as a result of the COVID-19 pandemic. Reacting flexibly, while maintaining keen focus on the individuals and families they serve, PHA leaders and staff have rapidly adapted to new ways of working to continue to meet their communities' needs. Those PHAs that had already made significant investments in digitalization of their operations were able to respond more swiftly and effectively, while those organizations relying on paper-based processes faced greater hurdles. As PHAs help their communities rebound from the impact of the pandemic, they will encounter greater community need for services.

Moving forward, it is important for PHAs to work to better understand the needs of applicants, tenants, landlords and other stakeholders. Organizations must also prepare for fewer in-person interactions for the foreseeable future. PHAs must reinvent themselves as more digital organizations, optimizing processes and investing in technology to enable more effective internal operations, stakeholder communications and community engagement to improve outcomes.

About CGI

Founded in 1976, CGI is among the largest IT and business consulting services firms in the world. Operating across the globe, CGI delivers end-to-end capabilities, from strategic IT and business consulting to systems integration, managed IT and business process services and intellectual property solutions, helping clients achieve their goals, including becoming customer-centric digital enterprises.

For over 30 years, CGI has assisted HUD and PHAs in advancing the availability of safe, affordable housing opportunities for Americans. We support public sector housing leaders in meeting their operational challenges and new opportunities. Learn more about our catalog of operations outsourcing, information technology and domain-specific consulting services at cgi.com/affordablehousing.