



June 3, 2024

Julia Gordon
FHA Commissioner

Ethan Handelman
Deputy Assistant Secretary for Multifamily Housing

Department of Housing and Urban Development
451 7th Street SW
Washington, DC 20410-0500

Dear Commissioner Gordon and Deputy Assistant Secretary Handelman,

Thank you for hosting the Performance Based Contract Administrator (PBCA) Stakeholder Listening Session on May 29 and for considering LeadingAge's additional written comments. As the leading voice for aging, we value our ongoing partnership with HUD and with the Multifamily Housing team to preserve and improve affordable, service-enriched housing options for older adults with low incomes.

LeadingAge is a strong advocate for the value of the Contract Administration program, and we support HUD's efforts to update the contract procurement approach. In particular, we recognize the challenges within the current procurement system - including the vulnerability associated with HUD's limited ability to procure new contracts should a current PBCA decline to renew the contract. We are also keenly aware of the roadblocks to updating current contract administration approaches, including barriers to adding or adjusting tasks for improved resident outcomes, streamlined business operations, and data standardization.

Instead of the current procurement process, which has been fraught with legal challenges and limits HUD's ability to make important improvements, we instead support HUD's efforts to move toward cooperative agreements selected via a notice of funding opportunity, as proposed by HUD's FY25 legislative language. We support the ability to steer or limit contract eligibility toward public entities rather than private ones and to establish a system that allows for a more collaborative relationship between HUD and PBCAs. We also support a state-based approach, within which we would look to HUD for clarity on how the agency intends to foster country-wide consistency and cohesion.

We urge HUD to prioritize a smooth transition within any new contracting approach. As emphasized by many other stakeholders, contract administration impacts the day-to-day operations of many thousands of affordable housing providers across the country, and HUD should be transparent and give as much notice as possible to allow current systems, skills, and legacy knowledge to be transferred and maintained with little disruption to housing providers and the people they serve. While HUD will gain valuable flexibility through a cooperative agreement approach, it is crucial that HUD dedicate new resources in order to avoid any delays or disruptions within the NOFO process.

Above all, we ask that HUD utilize this update of the contract administration process as a valuable opportunity for growth, and LeadingAge's key priorities include improved oversight and streamlining,

strengthened data sharing and leveraging, as well as tasks that elevate resident wellness. The effort should include modernized IT infrastructure, an emphasis on aggregating and standardizing data, creating a cohesive national oversight and access model for Section 8 contracts, and best practices sharing for resident outcomes, among many other valuable improvements.

In summary, LeadingAge recommends the following approaches to contract administration:

- LeadingAge supports cooperative agreements that allow more flexibility and targeting for HUD.
- LeadingAge supports continued public entity eligibility for contracts, as well as a state-based system.
- LeadingAge strongly supports smooth transitions and minimal disruption for housing communities and the people they serve.
- LeadingAge urges HUD to utilize the rebid process as an opportunity to strengthen data sharing, leveraging, and oversight.
- LeadingAge looks to HUD for clarity on how on creating country-wide consistency and cohesion, as well as additional resources and modernized IT infrastructure.

Thank you for carefully weighing the options for the future of contract administration. We look forward to working together to advance our goals of addressing housing unaffordability and allowing older adults with low incomes to better age in their communities.

Sincerely,

Juliana Bilowich
Director, Housing Operations and Policy
LeadingAge