



HUD'S INTERNATIONAL HISTORY

A HUD 50TH ANNIVERSARY PUBLICATION



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March 2016

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Introduction

Although the U.S. Department of Housing and Urban Development (HUD) is a domestic agency with a domestic mission to “create strong, sustainable, inclusive communities and quality affordable homes for all,” the Department has long been involved in international work and international learning exchanges. HUD’s international work began even before the Department was officially created in 1965. After World War II, the Federal Housing Administration (FHA), which was created in 1934, worked with the United States Agency for International Development (USAID) and its predecessor agencies to provide civilian assistance to Asia, Africa, and Latin America. FHA sent engineers, architects, and other technical experts to assist after disasters.

When the Housing and Urban Development Act of 1965 created HUD as a cabinet-level agency, FHA became part of it and a separate office, the Office of International Affairs, was formed. The small international section was amalgamated from several small agencies and commissions and was housed in the Office of the Secretary. It did not have an independent mandate and, therefore, the mandate changed when secretaries and administrations changed.

HUD’s international section was part of the Secretary’s office until 1989, when it was reorganized, reduced, and transferred to the Office of Policy Development and Research to work with the policy interests of the Department. In February 2010, Secretary Shaun Donovan created a new iteration of the Office of International Affairs, which was renamed the Office for International and Philanthropic Innovation (IPI) to serve as a focal point for the broad spectrum of global partners working with HUD. The reorganized IPI enables HUD to be a better partner with nongovernmental organizations (NGOs) worldwide; to hone in further on internationally focused strategies that innovate the way HUD conducts business; and to provide lessons and opportunities to look globally

for solutions to domestic public policy issues. IPI works to support HUD’s efforts to find new solutions and align ideas by performing research, developing networks, and facilitating collaboration of key partners and resources.

Although the mandate has changed with administrations and the aforementioned iterations of HUD’s international office, several constants have remained through the years. The budget for HUD’s international work has always been very small and, as a domestic agency with a domestic mission, HUD aims with its international engagement to use global approaches to inform domestic policy. Direct international assistance is coordinated through the U.S. Department of State or the White House.

All HUD’s international work falls into one of two categories: bilateral or multilateral relationships. Bilateral relationships are between the United States and one other country. The relationships and priorities change depending on the political climate. Bilateral relationships often include learning exchanges, in which foreign dignitaries and government leaders visit the United States and request to meet with their U.S. counterparts. Memorandums of understanding (MOUs) often are signed between the United States and the other country, formalizing the relationship and outlining the goals of the partnership.

Multilateral relationships involve the United States and international organizations, such as the United Nations (U.N.). These relationships are organized through the U.S. Department of State. In these situations, HUD often is included as part of the U.S. government delegation to an international conference or event. HUD has been involved in, and has often led, the U.S. delegations to international conferences, such as the World Urban Forum (WUF) and various others, which will be discussed in a following section.

Bilateral Relationships Through the Years

After HUD's formation, a formal agreement between USAID and HUD allowed for HUD to brief USAID about housing issues and to send technical experts on foreign missions as requested. That relationship continued through the remainder of the 1960s and into the 1970s.

During the 1970s, HUD's main bilateral relationship was with the Soviet Union. HUD worked with its counterpart in Moscow under six working groups. The agreement on Housing and Other Construction involved the U.S. Army Corps of Engineers, the Public Building Service (under the General Services Administration [GSA]), and various technical agencies that dealt with seismic zones. During the Cold War, at the request of the White House, HUD led an interagency cooperative exchange program with the Soviet Union under the terms of a 1974 U.S.-U.S.S.R. Cooperative Agreement on Housing and Other Construction. In close coordination with the Soviet desk at the U.S. Department of State, HUD led U.S. delegations to Moscow and other Soviet cities to meet with HUD's Soviet counterpart to discuss the planning and construction of buildings and cities, including building in seismic and permafrost areas. Other federal agencies involved included the National Science Foundation for seismic regions, GSA's Public Buildings Service, and the U.S. Army Corps of Engineers.

Successive HUD Secretaries chaired the annual meetings with their Soviet counterparts. Other HUD representatives included FHA architects and engineers. Office of Community Planning and Development (CPD) planners of new communities engaged with their Soviet counterparts on a variety of technical issues. After an interruption of activity for 5 years in the early 1980s, HUD continued work with its counterpart in Moscow until 1988. After another hiatus because of the political climate of the times, HUD became involved with its Russian counterpart again from 2004 through 2007, when meetings centered on mortgage financing, a topic of mutual interest.

Another important bilateral relationship also began during the 1970s, with the opening of U.S. relations with China, which had been broken after the Communist takeover of China in late 1949. In 1979, the U.S.-China Agreement

on Cooperation in Science and Technology was signed in Washington, D.C. This agreement provided the framework within which nearly every federal department and agency would establish a cooperative exchange program with its counterpart in Beijing. HUD's work with the Chinese Ministry of Construction lasted from 1981 through 1988 and concentrated on housing and city planning policy. It also produced the first Chinese-English technical glossary of terms in housing construction and urban planning to facilitate discussions in these fields. U.S. architects, planners, and construction managers often took part in discussions—in the United States and in China—organized by HUD. All HUD work with China was carried out in close coordination with the U.S. Department of State.

After a 10-year hiatus, a relationship with China resumed when President Clinton announced the U.S.-China Housing Initiative during his 1998 trip to China. The formal agreement that was signed in 1999 established a framework to carry out mutually beneficial projects in mortgage finance, housing market regulation, housing technology, and community planning. The agreement outlined two specific exchanges focused on using U.S. construction and technologies to design low-income, energy-efficient apartments for the Chinese and helping China create a mortgage pool (HUD, 2000a).

In the 1990s, the United States and the Government of Mexico began annual Cabinet-level meetings to discuss a range of mutual concerns. Again, with every federal department represented, HUD led U.S. exchanges with its Mexican counterpart agency on housing markets and finance as part of the U.S. Mexico Binational Commission. In June 1999, HUD and the Mexican Secretariat of Social Development signed an MOU. A series of eight conferences were held based on the MOU, which focused on four areas of housing and community development: (1) planning and development along the border, (2) metropolitan planning and administration, (3) housing finance and secondary-mortgage market development, and (4) development and exchange of basic housing market statistics. The agreement also promoted partnerships between border cities. For example, Laredo, Texas, and Nuevo Laredo,

Mexico, worked on joint urban and economic development planning, which was so successful that it became a case study for other border cities (HUD, 2000b).

During this time, HUD also created a new Southwest Border and Colonias Division to help address infrastructure needs and create conditions favorable to affordable housing construction in the colonia neighborhoods. Generally, HUD and the U.S. Department of Agriculture Rural Development both define colonias as rural communities in the U.S.-Mexico border region that lack adequate water, sewer, or decent housing or a combination of the three. Beginning in 1991 and continuing today, HUD has set aside funds specifically for the colonias areas of the border states.¹

The mid- to late 1990s brought a new bilateral relationship with South Africa, which formed its first multiracial government headed by President Nelson Mandela and began post-Apartheid life in 1994. By 1997, HUD was engaged with the Ministry of Housing in Pretoria on matters of vital interest to both governments, namely, community reinvestment programs by private banks and housing antidiscrimination laws. South African delegations came to the United States as part of HUD-organized programs to meet with a range of American executives, in both government and private banking sectors, to discuss the American legal and policy experience in these fields. This bilateral relationship was formalized by the U.S.-South Africa Binational Commission and also focused on fair housing and fair lending (HUD, 2000a). Study and discussion of U.S. models helped lead South Africa to pass a home mortgage disclosure act that protected low-income people from discrimination by mortgage lenders.

Some of HUD's bilateral relationships and international workings historically have been in response to natural disasters. In 1998, two deadly hurricanes hit Central America and the Caribbean, causing unprecedented damage to the area, which was compounded in 1999 by heavy rains. In May 1999, Congress created the Central America and Caribbean Emergency Disaster Recovery Fund, and HUD received \$10 million to assist in the reconstruction effort. Each affected country employed its own strategy based on its needs. Honduras received most of these disaster relief funds and worked with HUD to adapt aspects of the Empowerment Zone model to integrate municipal resources, private-sector capital and

expertise, and appropriate building and construction technology into the community development process. In the Dominican Republic, HUD worked with Acción Internacional to help low-income families access credit for home repair, progressive housing projects, and microenterprise development (HUD, 2000b). Throughout the affected region, HUD created coalitions of U.S. private-sector experts and NGOs to assist in reconstruction work and brought many important organizations to the table.

HUD has also cultivated a productive relationship with the Netherlands concerning disaster resilience. In 2013, HUD Secretary Donovan and Melanie Schultz van Haegen, the Kingdom of the Netherlands' Minister of Infrastructure and the Environment, signed a Memorandum of Understanding pledging closer cooperation on issues related to disaster mitigation, sustainable and integrated planning, and water management infrastructure. Donovan, who chaired President Obama's Hurricane Sandy Rebuilding Task Force in 2012 and 2013, visited the Netherlands in 2013 to see how that country deals with the persistent threat of North Sea and river flooding in large, low-lying developed areas. Over the generations, Dutch planners created a vast network of dams, floodgates, storm surge barriers, and other engineered works to control North Sea storm surge and flooding from the confluence of three major river systems. In recent years, Dutch engineers adopted hazard mitigation strategies that allow for controlled flooding in formerly developed areas.

Given the similarities between the Netherlands and the post-Hurricane Sandy New York City region, Secretary Donovan noted that the two nations could learn much from each other about finding innovative solutions to age-old shared problems. As a result, Dutch expertise in disaster mitigation, infrastructure management, and sustainable community development and planning contributed to key accomplishments of the Hurricane Sandy Rebuilding Task Force. In June 2013, the Task Force launched the Rebuild by Design competition, a multistage planning and design competition to promote resilience in the Sandy-affected region. The competition is a public-private partnership that brings together the world's greatest designers and thinkers to support analysis and design processes. Henk Ovink, the director of the Dutch Office of Spatial Planning and Water Management, advised Donovan on the Task Force and in the creation of Rebuild by Design.

¹ <https://www.hudexchange.info/cdbg-colonias/colonias-history/>.

One of the main bilateral relationships of the 2000s has been with Germany. In May 2010 HUD and the German Ministry of Transport, Building and Urban Development signed a Joint Declaration of Intent. The declaration established a foundation for future collaboration between the two governments, framed by the six Livability Principles of the Partnership for Sustainable Communities and the Leipzig Charter on Sustainable European Cities. According to former HUD Deputy Secretary Ron Sims, the declaration “reinforces the idea that developing more sustainable communities is something both our nations recognize as critical to our futures. The U.S. and Germany share a common vision that we can build a better, more sustainable and livable tomorrow” (HUD, 2011).

This relationship was further formalized in 2011 when an MOU was signed. The signature initiative of this MOU was the Dialogues for Change Program (D4C), which first ran from 2013 through 2015. D4C was an innovative, international, peer-to-peer city learning exchange network that engaged local leaders from the United States and Germany in deep and substantive dialogue to find integrated solutions to shared, complex urban and community development challenges. The partnership includes HUD and the German government and is implemented by the German Marshall Fund of the United States and the German Federal Institute for Research on Building, Urban Affairs and Spatial Development. Participating U.S. cities were Austin, Texas; Baltimore, Maryland; Flint, Michigan; and Memphis, Tennessee. Participating German cities were Bottrop, Leipzig, and Ludwigsburg. The program design featured transatlantic

peer-to-peer learning, expert coaching, and participant-developed goals for each workshop, all broadly focusing on strategies and tools for integrating civic dialogue into sustainable urban development processes.

Another iteration of D4C is expected to begin in 2016, and the partners intend to shift from programming focused on dialogue and planning to a program of supporting the implementation of specific policies and projects. These projects will build on lessons learned in previous phases of D4C and demonstrate integrated sustainable urban development in the spirit of the Leipzig Charter.

In the 2010s, HUD has engaged in a productive relationship with Chile concerning comparative rental housing policy. Until recently, South American governments had emphasized homeownership; few had adopted rental housing policies. At the start of 2014, amid growing support for rental interventions in South America and policy guidance from HUD officials, Chile became the first South American nation to adopt a national rental subsidy program. Chile's program aims to make rental housing more affordable for low- and moderate-income young families. The program consists of a flat-rate, time-limited subsidy, which affords relatively simple administration and flexible payments for tenants with volatile incomes. This program has relevance for U.S. rental subsidy reform, although the Chilean and U.S. rental subsidy programs operate within different contexts; U.S. policymakers have considered adopting these elements to the longstanding Housing Choice Voucher program.

Multilateral Relationships

As mentioned previously, HUD also has been involved in multilateral relationships throughout its history. From its beginning, HUD represented the United States at the annual meetings of the Committee on Housing, Building, and Planning of the U.N. Economic Commission for Europe (UN/ECE) and took part in some of its project work. This Committee was formed in the late 1940s to advise postwar governments about rebuilding devastated cities. Composed of representatives from both Western and Communist countries, this U.N. regional committee—like its parent commission—was one of the few organizations in which these very different countries met on a regular basis. After the fall of Communism, this UN/ECE committee continued to function, as it does today, as a forum for the exchange of policy and program research and experience in housing and urban affairs among all the countries of Europe.

Since 1970, HUD has represented the United States in meetings of the Group on the Urban Environment of the Organisation for Economic Co-operation and Development (OECD), headquartered in Paris. The Group dealt with emerging policy research and recommended guidelines on the then-newly evolving field of urban environmental conditions and programs. HUD has explored issues such as economic opportunity, green growth, and improving infrastructure through its partnership with OECD.

In 2012, HUD partnered with OECD to bring the 4th annual Roundtable of Mayors and Ministers to the United States for the first time. The event was co-hosted by Secretary Donovan, Mayor Rahm Emanuel of Chicago, Mayor Michael Bloomberg of New York, and OECD Secretary General Angel Gurría. More than 50 mayors, ministers, private-sector leaders, and foundation leaders agreed that cities should be empowered to take the lead on green growth but that their efforts are hampered by huge investment needs and constrained public finances. Donovan and other leaders highlighted the need for sustainable urban development to promote job creation and long-term economic, social, and environmental resiliency. While there is no single model to implement urban sustainability, cities have great potential to share local solutions, transfer practices across national and continental boundaries, and work

collaboratively to advance innovative new approaches for financing critical infrastructure. At the same time, national governments can establish a framework to promote exchanges that lead to investments in infrastructure.

Also in the 1970s, with the first Earth Day in April 1970 and the beginning of public environmental consciousness in the United States, HUD began domestic and multilateral work on the environment. One of the first multilateral tasks was working with the U.S. Department of State to plan the first world conference on the environment to be held 2 years later. HUD's international office, in coordination with CPD, represented HUD on the interagency committee to prepare background and position papers for the U.S. delegation to the United Nations Conference on the Human Environment in 1972 in Sweden, commonly known as the Stockholm Conference. While the emphasis was mainly on the natural world, for example, air and water quality, participants also recognized the importance of the effects of the "built environment" on a host of issues.

After the Stockholm Conference, people realized that the "built environment" needed as much attention as the natural world but in a different way, such as by acknowledging the relationship between poverty in urban regions and environmental degradation. This led to more than 40 years of work with the U.N. Habitat Commission (UN-Habitat), based in Nairobi, Kenya. This U.N. Commission continues to work to assist less developed nations in Asia, Africa, and Latin America and to promote new policy research on various aspects of housing development, economic and community planning, and the urban environment. UN-Habitat sponsors both the WUF and the U.N. Conference on Housing and Sustainable Urban Development.

The WUF is a biannual conference that examines the most pressing issues facing the world today in the area of human settlements, including rapid urbanization and its impact on cities, communities, economies, climate change, and policies. HUD often has been involved in WUFs. In March 2010, Secretary Donovan led a delegation of U.S. government and civil society partners to UN-Habitat's 5th World Urban Forum (WUF 5). WUF 5 was held in Rio de

Janeiro, Brazil, and was dedicated to examining the most pressing problems related to urban issues. As head of the U.S. delegation to WUF 5, Donovan noted the importance of the event and of global collaboration to address the needs of the built environment. In 2012, HUD and IPI partnered with UN-Habitat with its partners, Habitat for Humanity International and the National Building Museum, with support from the Ford Foundation, to host a summer series of dialogues leading up to WUF 6, which was held in 2012 in Naples, Italy, and attended by several HUD senior staff members. During WUF 7 in 2014 in Medellín, Columbia, Donovan had several high-level public speaking engagements, in which he discussed the challenges posed by inequality both domestically and abroad and various mechanisms the global community can use to tackle these problems. He also held a series of bilateral meetings with his international counterparts and world leaders.

The U.N. Conference on Housing and Sustainable Urban Development, called Habitat, occurs much less often, only once every 20 years. Conference attendees review progress and challenges during the previous 20 years and set plans for the next 20 years. HUD has played a leadership role in these conferences. Habitat I, the first of these conferences, took place in June 1976 in Vancouver, Canada and sparked an international conversation on urban issues. The U.S. preparations for this first conference were co-chaired by the U.S. Department of State, USAID, the U.S. Environmental Protection Agency (EPA), and HUD and involved many state and local governments and NGOs working on urban environmental and community development programs throughout the United States. Then-HUD Secretary Carla Hills led a large U.S. delegation to the first Habitat Conference.

Former HUD Secretary Henry Cisneros chaired the U.S. delegation to Habitat II, which was held in June 1996 in Istanbul, Turkey. Secretary Cisneros also chaired a national preparatory committee to prepare for Habitat II and brought

numerous government agencies, nonprofits, practitioners, and think tanks together to discuss the U.S. side of the issues in sustainable urban development. At Habitat II, world leaders adopted the Habitat Agenda as a global action plan to create adequate shelter for all. In 2001, HUD assembled and published a progress report that examined how the United States had advanced with the agenda since 1996.

At Habitat III, scheduled to occur in Quito, Ecuador, in October 2016, participants will analyze progress made on commitments from Habitat II, and member states will discuss a New Urban Agenda that addresses 21st century urban challenges and harnesses the tremendous potential of cities to promote sustainable development globally. Once again, HUD is playing a lead role in the U.S. delegation, and Secretary Julián Castro is chairing a national preparatory committee that includes representatives from the federal government, local authorities, academic institutions, philanthropy, civil society, and industry. The goal of the Committee is to help promote open and productive dialogue on key challenges facing U.S. cities and identify significant opportunities to improve the quality of life, sustainability, and resilience of U.S. cities. The Committee helps raise public awareness about urban development issues and trends in the United States and engage local communities in national preparations for Habitat III. The Committee's outreach includes both regional meetings co-hosted by HUD field offices and local partner organizations and convenings that expose the foreign policy community to complex metropolitan and community development issues. The Committee also helps uplift best practices and innovations emerging from U.S. cities that can be applied in other cities and inform a global urban agenda. Members of the National Preparatory Committee will be asked to contribute to and provide feedback on a final National Habitat Report that will be prepared by HUD. The National Habitat Report will evaluate progress the United States has made since Habitat II and offer a prospective vision for sustainable urbanization and urban poverty reduction.

Ginnie Mae

International work is conducted in other parts of HUD as well, such as the Government National Mortgage Association (Ginnie Mae). Ginnie Mae's work is inherently international. This has been true since its inception in 1968 and continues today, especially as capital markets have become increasingly globalized. As the only housing finance agency with an explicit U.S. government guarantee for the timely receipt of principal and interest on its mortgage-backed securities (MBS), Ginnie Mae's securities are attractive investments for investors worldwide. With this guarantee, Ginnie Mae facilitates access to affordable housing finance as it channels global capital into the United States housing market.

Ginnie Mae provides liquidity to the secondary mortgage market using its capacity as the principal financing arm for government loans, enabling mortgage lenders to obtain a better price for their mortgage loans. In 1970, Ginnie Mae fundamentally transformed housing finance around the world when it created and issued the first MBS. Since this innovation in securitization and debt financing for housing, Ginnie Mae has provided liquidity, including in times of economic upheaval, when capital flight prevails. Ginnie Mae continues to meet the challenges of turbulent financial markets as the countercyclical stabilizer in the U.S. housing finance market. Today, the balance of Ginnie Mae is approaching \$1.6 trillion dollars outstanding. Tripling since the 2007–08 global financial crisis, this increase is a testament to Ginnie Mae's functions and its unique role in promoting access to affordable housing finance, even in times of economic tumult.

Approximately one-fourth to one-third of investment in Ginnie Mae MBS is held outside the United States. Most foreign holders are concentrated in the Asia-Pacific region—specifically China, Hong Kong, Japan, and Taiwan. Through its Office of Capital Markets, Ginnie Mae engages with international investors and government counterparts to discuss financial market and housing sector developments related to Ginnie Mae MBS. Such engagements ensure that Ginnie Mae has the best market intelligence related to capital market developments and

plays an active role in understanding the context of the foreign investment climate related to policy implications for the MBS and Multiclass Securities Programs.

In support of Ginnie Mae's international client coverage, the Office of Capital Markets has extensively developed bilateral and multilateral relationships using investor engagement activities and formalized cooperation activities. The following examples illustrate the international relationships Ginnie Mae has developed.

For the past 12 to 14 years, Korea's Ministry of Land, Infrastructure and Transport (MOLIT) has seconded a government official to Ginnie Mae for 12- to 18-month periods. The secondee conducts independent research related to housing finance. This relationship was formalized in 2014 when HUD and MOLIT signed an MOU to exchange information about research and programs involving public housing policies for low-income individuals and families; housing market stabilization policies; and sustainable urban development policies (including transit-oriented development and aging in place). The MOU was signed on October 14, 2014, by HUD Secretary Castro, Ginnie Mae President Ted Tozer, and two ministers from Korea.

In 2014, Ginnie Mae signed an MOU with the Japan Housing Finance Agency (JHF), the national housing finance agency for the Japanese government, jointly held within the Ministry of Finance and the Ministry of Land, Infrastructure, Transport and Tourism. This cooperation agreement focuses on exchanges of information about research and programs involving financial instruments that enhance the stability of housing and mortgage markets; MBS and other funding instruments that leverage private capital to the housing market using investor purchases; housing price monitoring and implications for housing finance; risk management programs that ensure the health of the MBS market; comparisons of housing finance mortgage and investor activity in Japan and the United States; and strategies to identify and alleviate obstacles that limit the existing appetite of private and

public capital investment. The MOU was signed by HUD Secretary Donovan, Ginnie Mae President Ted Tozer, and JHF President Shinya Shishido on February 3, 2014.

In a followup to this MOU, Ginnie Mae hosted the Japan Housing Finance Agency for the U.S.-Japan Housing Finance and Capital Markets Roundtable on August 27, 2015, at HUD in Washington, D.C. The roundtable covered housing markets in Japan and the United States and capital market and MBS demand and supply. Roundtable participants included hundreds of housing finance experts from government and financial sectors, banking-sector firms and associations, and academia to share current policy effectiveness and challenges in financing housing in capital markets.

Also in 2014, Ginnie Mae served as a co-organizer with the World Bank and International Finance Corporation (IFC) for the 6th Global Housing Finance Conference. The conference included housing finance stakeholders from government and financial sectors from more than 40 countries. Ginnie Mae President Tozer gave keynote remarks with IFC Chief Executive Officer and Executive Vice President Jin-Yong Cai and World Bank Director of the Capital Markets Global Practice Loïc Chiquier. In addition, Ginnie Mae hosted bilateral meetings and participated in regional meetings with numerous stakeholders from Africa, Asia, Europe, and Latin America. Ginnie Mae continues to develop this multilateral relationship extensively and has achieved much success in engaging with World Bank investors in Ginnie Mae MBS.

Other International Initiatives at HUD

One of IPI's first major initiatives when it was created in 2010 was to launch a global competition to source innovations from around the world for more sustainable and inclusive housing. Hosted by Ashoka Changemakers, with support from the Rockefeller Foundation, and with the State Department, the American Planning Association, and Government of Brazil as partners, the Sustainable Urban Housing: Collaborating for Liveable and Inclusive Cities competition was launched. The competition was inspired by the Energy and Climate Partnership of the Americas, a collaboration among Western Hemisphere nations initiated by President Obama designed to develop solutions to climate change, energy security, and sustainable development. The response to the competition was overwhelming: in only 3 months, the committee received nearly 300 proposals from more than

30 countries. The panel of expert judges was tasked with evaluating the proposals based on innovation, social impact, and operational sustainability of the project.

The prize competition culminated in July 2011, when IPI, in collaboration with its partners, honored eight finalists and three award winners with a ceremony at the National Building Museum and a policy exchange panel.

The three winners were Developing Real Estate for Squatters and Tenants of the City of Buenos Aires, Distrito Federal, Argentina; Zero Waste, Sustainable Architecture, Renewable Energy: Unlimited Source of Renewable Materials for Sustainable Housing, São Paulo, Brazil; and Green Development Zone, People United for Sustainable Housing (PUSH), Buffalo, New York.

Looking Forward

The history of international work at HUD shows an evolution in structure, strategy, tools, and partners, but its purpose has remained the same. HUD's authorities in the international arena are rooted in learning and helping to inform and extend HUD's domestic effect. Going forward, the current international office at HUD, IPI, will continue to serve as a cross-sector, cross-border innovation and partnership shop. Four ways typify how IPI will likely be engaged internationally.

First, IPI will continue to selectively cultivate bilateral relationships with foreign governments. These relationships consist of direct and continual engagement with counterparts in national government agencies. IPI constructs such relationships in mutually beneficial ways by linking to the strategic priorities of HUD and connecting leaders across ministries.

IPI's most active bilateral relationship currently is with Germany, as previously mentioned. That work springs from the desire to learn from the revitalization and recovery of German cities that bear a strong resemblance to many postindustrial cities in the United States. With partners such as the German Marshall Fund, IPI has supported learning exchanges, deep capacity building for cities, and a practitioner network that will evolve into scalable ways to translate lessons learned from Germany to their applications in the United States. IPI and its German ministry counterparts regularly engage regarding challenges they face and solutions that emerge. The crises being felt by cities across Europe—faced with new populations, poverty and income inequality, and fiscal constraints—mirror those felt by U.S. policymakers and practitioners who are addressing the same challenges.

Second, IPI will conduct research projects based on international best practices, such as the recently concluded rental housing comparative research project with Chile. The diversity of practice and policy presents a huge opportunity to test research questions using an international comparative framework. For instance, as HUD and other partners prepare for an increase in the

elderly population in the United States, we look to our Japanese partners to learn from their experience with a “super-aged” society. Learning from those societies with similar experiences to those of the United States provides an international laboratory for comparative research, analysis, and knowledge building.

Third, the important work of IPI's convening, partnership development, and resource alignment functions will continue. IPI will work across sectors and borders to illuminate best practices, create spaces for dialogue and shared learning, find windows for policy influence and program design, and help practitioners, policymakers, and other partners align on a common mission.

Convening often is the perfect tool to accomplish or catalyze those objectives. IPI's preparation for Habitat III in October 2016 is the latest example of this work, and the Office will continue to learn from Habitat III to implement ideas, align efforts, and extend the effect after the conference. IPI is uniquely poised to serve this partnership development role and will mine other opportunities to deliver value.

Fourth, when the office's mission shifted to focus on innovation and partnership in 2010, IPI's work with multilateral organizations increased. Our global interdependence results in many advanced nations facing shared problems in comparable contexts. These shared challenges drive the need to collaborate by using more coordinated efforts. IPI will increasingly partner with organizations such as the OECD to ensure that HUD is benefiting from this increased connectivity and knowledge sharing. Network-based learning often provides the most effective way for us to learn, adapt, and adopt.

As the context shifts and structures evolve, IPI will likely adjust to meet new needs. What will remain is the focus on learning from multiple sources—cross-sector and cross-border—and extracting from and innovating with those ideas to apply them within the U.S. context.

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