SUPPORTING STATEMENT FOR PAPERWORK REDUCTION ACT SUBMISSIONS
Continuum of Care Homeless Assistance Application
2506-0112

A. Justification

1. This request is for revision of a currently approved information collection form for use in HUD's competitive homeless assistance programs authorized by the McKinney-Vento Act, as amended. The application and technical submission forms are needed to assist in the selection of proposals submitted to HUD (by State and local governments, public housing authorities, and nonprofit organizations) for the awarded funds under the Supportive Housing, Shelter Plus Care, and Section 8 Moderate Rehabilitation Single Room Occupancy for Homeless Individuals programs.

   The homeless assistance application process has two phases. First, eligible organizations submit applications in response to the Continuum of Care Homeless Assistance Notice of Funding Availability (NOFA). An applicant that is successful and conditionally selected under the SHP and SRO programs must complete a second phase by providing more detailed technical information not contained in the original application. The Technical Submission documents contain all of the information HUD requires for the second (and final) phase prior to grant execution.

   This information collection for the application for the Continuum of Care Homeless Assistance competition are currently approved under OMB No. 2506-0112 with an expiration date of 3/31/2009. The number of burden hours for this collection is the same as the 2006 collection. This is because last year's streamlining of forms was well-received and, therefore, relatively few changes were made to the forms.

   The regulatory authority to collect this information is contained in each program rule. For SHP, 24 CFR Part 583.300(g) states "each recipient of assistance under this part must keep any records and make any reports (including those pertaining to race, ethnicity, gender, and disability status data) that HUD may require within the timeframe required." The Shelter Plus Care program rule contains the same statement at 24 CFR 582.300(d)(1). The Section 8 Single Room Occupancy program rule contains a similar statement at 24 CFR 882.808(p).

   Selection of applications for funding under Continuum of Care Homeless Assistance are based on rating factors listed in the Notice of Funding Availability (SuperNOFA), which is published each year to announce the Continuum of Care Homeless Assistance funding round.

   Subtitle C of Title IV, Stewart B. McKinney Homeless Assistance Act, as amended; Subtitle F of Title IV, and Secs.441 of the Act, as amended. Program regulations can be found at 24 CFR parts 582, 583, and 882.

2. The information to be collected will be used to rate applications, to determine eligibility for the Continuum of Care Homeless Assistance, to establish grant amounts, and to ensure that technical requirements are met prior to execution of a grant agreement. The technical requirements relate to a more extensive description of the various budgets for supportive services and operations, as well as acquisition, rehabilitation, new construction, contract rental calculations and sources of financing documentation. HUD will use this detailed information to determine if a project is financially feasible and whether all proposed activities are eligible.

3. This collection of information has not yet been automated due to the complexity of the application process involving multiple applicants, sponsors, and other entities. However, the 2006 application was reorganized to prepare for future electronic submission and increased automatic scoring of applications. The revised format included charts and checkboxes that took the place of many of the narratives. HUD received favorable feedback on this streamlined application, with applicants stating that it was easier to navigate and took less time to complete. The 2007 application has maintained this format, with relatively few changes.

4. To avoid duplication of information, the application has been streamlined, with each section organized by activity type, so that activity descriptions and budgetary information do not have to be repeated. Similar information used in the past cannot be used because updated information is required for reviews for final grant award. Similarly, information available from other HUD programs cannot be used because the selections are based on rating and ranking applications in relation to one another. Approval must be based on current information presented by the applicant.

    The incorporation of the two-step application procedure is an attempt to lessen reporting burden on applicants. Applicants rated high enough to receive funding will be conditionally selected and required to provide more detailed technical information not contained in the original application. Since the SHP Technical Submission has been streamlined for renewal projects, applicants will not repeat budgetary information unless a condition has been placed on the conditional grant award. This Technical Submission document contains all the information HUD requests for the second (and final) phase.

5. The wide range of applicants for SHP funding (including states, local governments, private nonprofit organizations, and community mental health associations that are public non-profit organizations) and the need to consider all applications on an equal basis make it difficult to give special consideration to the burden placed on small entities by this collection of information. Instead, efforts were made to minimize the burden placed on all applicants, while at the same time ensuring that sufficient information would be provided to allow HUD to determine and select the best proposals.

6. All information collected is used to carefully consider applications for funding; if HUD collected less information or collected it less frequently, the Department could not determine the eligibility of applicants for grant funds.

7. This information collection is being conducted in a manner consistent with the guidelines in 5 CFR 1320.6.

8. HUD published a notice in the *Federal Register* on September 21, 2006 on page 67738 soliciting public comment on this request for approval of the revised information collection.

    Current grantees have provided input on the application process. Numerous recommendations regarding simplification and clarification of the application process have been adopted. HUD seeks and obtains comments from current grantees and third-party experts on the application process every year. In 2006, detailed, written comments were received from at least one consultation with a grantee and meetings with other experts, their recommendations were considered, and a number were implemented. In addition, HUD staff documented questions and comments received from applicants after the forms became public, and have worked to clarify the application based on these responses.

9. No payment or gift to respond is allowed.

10. No assurances of confidentiality are offered.

11. This information collection does not include any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. The Continuum of Care (CoC) competition has three main parts: Form HUD-40090-1 (Exhibit 1), Form HUD-40090-2 (Exhibit 2), and Forms HUD-40090-3a and 40090-3b (Exhibit 3, technical submissions).

    The Continuum of Care competition has a unique structure. A local Continuum of Care is an organization that is made up of stakeholders who are working to alleviate homelessness in a community. The Continuum of Care is responsible for completing and submitting Form HUD-40090-1 (Exhibit 1), which asks for information

regarding the community's homeless issues and responses. The single form consists of various charts. Approximately 500 CoCs, covering every geographic area of almost every state, will submit this form.

In order to be funded for specific projects, project applicants must be associated with a local Continuum, and must complete a Form HUD-40090-2 (Exhibit 2) for each project they are proposing. HUD will receive approximately 5,700 project applications in 2007, receiving different numbers of applications for each of five types of projects. As shown in the chart below, HUD will receive the most number of applications for Supportive Housing Program Renewal projects (approximately 4,090), and the least for Section 8 SRO projects (approximately 10-15). Each Continuum of Care must submit its Exhibit 1 and each of its Exhibit 2s together in a single package to HUD.

Applicants are required to submit several other forms in order to be funded. These forms include the SF-424 (the formal Application for Federal Assistance) and the SF-424SUPP. Once a project is conditionally selected for funding, the applicant must complete the appropriate technical submission form in Exhibit 3, depending on whether it is an SHP, SHP-Renewal, or SRO, in order to receive an actual grant.

Estimates of the public burden have been derived through program staff experience and input from previous applicants, and are shown in the table below:

Submission documents	Number of Respondents	Responses Per Year	Total Annual Responses	Hrs per Response	Total Hours
HUD-40090-1 CoC Exhibit 1 Continuum of Care (CoC) Application	500	1	500	170.00	85,000.0
Subtotal	**500**		**500**		**85,000.0**
HUD-40090-2 CoC Exhibit 2 Project Applications					
SHP New Projects	700	1	700	30.00	21,000.0
SHP Renewal Projects	4,090	1	4,090	9.00	36,810.0
Shelter Plus Care New Projects	200	1	200	20.00	4,000.0
Shelter Plus Care Renewal Projects	700	1	700	6.00	4,200.0
Section 8 SRO Projects	10	1	10	20.00	200.0
HUD-2991 – Cert of Consistency with the Consolidated Plan	5,700	1	5,700	0.00	0.0
HUD-2880 – Applicant/Recipient Disclosure/Update Report (2510-0011)	5,700	1	5,700	0.00	0.0
HUD-96010 - Logic Model (2535-0114)	5,700	1	5,700	0.00	0.0
Subtotal	**5,700**	**1**	**5,700**		**66,210**
SF424 - Application for Federal Assistance	2,850	1	2,850	0.75	2,137.5
SF424SUPP – Voluntary Survey on Ensuring Equal Opportunity	2,850	1	2,850	0.03	85.5
HUD-92041 – Sponsor's Conflict of Interest Resolution (2502-0267)	10	1	10	0.00	0.0
HUD-27300 – Regulatory Barriers (2510-0013)	2,850	1	2,850	0.00	0.0
OMB-SF-LLL – Disclosure of Lobbying Activities (where applicable)	260	1	260	0.17	44.2
HUD-40090-4 Applicant Certification	2,850	1	2,850	0.00	0.0
Subtotal	**2,850**	**1**	**2,850**		**2,267**
Total for initial submission	**9,050**	**1**	**9,050**		**153,477**
Second submission for conditionally accepted applicants: Exhibit 3 CoC Technical Submissions					
HUD-40090-3a SHP Tech (new)	350	1	350	9.00	3,150.0
HUD-40090-3a SHPR Tech (renewals)	4,090	1	4,090	6.00	24,540.0
HUD-40090-3b SRO Tech	10	1	10	11.00	110.0
Second submission subtotal	**4,450**	**1**	**4,450**		**27,800**
Total Grant Program application collection	**9,050**	**2**	**13,500**		**181,277**
HMIS Data & Technical Standards data collection (CoC level AHAR)	500	1	500	40.8	20,400
Total	**9,050**	**3**	**13,500**		**201,677**

Respondents' average cost per hour: $21 x 181,847 hrs = $3,818,787

13. There are no additional costs to respondents.

14. Estimates of the annualized cost to the Federal government (clerical and professional staff time)

Review each Application ($34.50 per hr. x 5 hrs. x 9,050) $1,561,125
Review each Technical Submission ($34.50 per hr. x 3 hrs. x 4,450) $460,575
Notification of applicants ($22.00 per hr. x 0.5 hrs. x 2,850) $31,350
   Total $2,053,050

15.

    The burden hours per respondent were reduced significantly in 2006 by streamlining the application forms. This included consolidating five sections (Exhibits 2, 2R, 3, 3R, and 4) into a single Exhibit 2, and replacing narratives in Exhibits 1 and 2 with charts that are easier for applicants to complete. Exhibit 1 does include several charts that have changed and now request slightly different information; however, the overall amount of time it will take for the applicant to complete the form has not changed.

    Renewal applicants also indicated a reduction in burden hours resulting from previous experience with the process. The burden tables have been itemized in more detail to better portray the difference between the numbers of various respondents. .

    An additional change adding 20,400 was approved in June 2004 for a temporary, related collection to support the standardization of electronic data collection among programs supporting homeless services. Now, the Homeless Management Information Systems (HMIS) Data and Technical Standards collection has become an annual, ongoing activity required of HMIS grantees. As Continuums of Care become more familiar with HMIS and HMIS reporting, HUD anticipates that the annual hours per response will decrease.

16. The results of this collection of information will not be published for statistical use.

17. No approval is sought to not display the expiration date for OMB approval of the information collection.

18.   No exceptions.