

## Supporting Statement –

### Public Housing – Contracting with Resident-Owned Businesses – Procurement

#### A Justification.

1. Public Housing Agencies (PHAs) will follow the applicable method of procurement as set forth in 24 CFR 85.36(d) ~~regarding with~~ solicitation limited to resident-owned businesses. To be eligible for the alternative procurement process, a business must meet and submit certified copies of any State, county, or municipal licenses that may be required of the business. The business shall also submit a certification that it is a resident-owned business, disclosing all owners, and each owner's percentage of the business, identify all owners and management officials who are not public housing residents, and shall disclose any relationship that these owners and officials may have to a business engaged in the type of business activity with which the resident-owned business is engaged. The business shall also submit such evidence as the PHA may require to verify that the owner or owners identified as public housing residents reside within the public housing of the PHA.

Applicable authority is Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended by the Housing and Community Development Act of 1992; 24 CFR Section 963.10(a) through (d), 24 CFR Section 963.12, 24 CFR 85.36(d).

2. Eligible resident-owned businesses submit applications to Housing Agencies (HAs) to be approved for noncompetitive contract work on public housing sites as an alternative to HUD's otherwise-required competitive procurement procedures. In order for a resident-owned business to be eligible for noncompetitive contract work, or the alternative procurement process provided by 24 CFR 963, a business must submit evidence as outlined in 24 CFR 963.10 to the PHA, in the form described therein, or as the PHA may require, that shows how each requirement as described in 24 CFR 963.10 has been met. For example, resident-owned business must provide, and PHAs must collect various types of information, including, but not limited to:

Certified copies of any State, county, or municipal licenses that may be required of the business to engage in the type of business activity for which it was formed. Where applicable (as for example, in the case of corporations), the business also shall submit a certified copy of its corporate charter or other organizational document that verifies that the business was properly formed in accordance with State law.

The business shall disclose to the PHA all owners of the business, and each owner's percentage of ownership interest in the business. The business also shall disclose all individuals who possess the power to make the day-to-day, as well as major, decisions on matters of management, policy and operations (management officials). The business shall identify all owners and management officials who are not public housing residents, and shall disclose any relationship that these owners and officials may have to a business (resident- or non-resident-owned) engaged in the type of business activity with which the resident-owned business is engaged. The business also shall submit such evidence as the PHA may require to verify that the owner or owners identified as public housing residents reside within public housing of the PHA.

The business shall submit evidence sufficient to demonstrate to the satisfaction of the PHA that the business has the ability to perform successfully under the terms and conditions of the proposed contract.

The business shall submit a certification as to the number of contracts awarded, and the dollar amount of each contract award received, under the alternative procurement process provided by 24 CFR 963. A resident-owned business is not eligible to participate in the alternative procurement process provided by 24 CFR 963 if the resident-owned business has received under this process one or more contracts with a total combined dollar value of \$1,000,000.

3. Resident applicants submit the necessary documentation to their PHA. The nature of the documentation (certified copies of licenses, etc.) make it impractical to apply available technology to the submission process. In addition, participating PHAs individually receive a small number of applicants. For these reasons, the application of information technology to reduce the burden would not be cost effective.
4. We have not been able to identify any procedures that duplicate the submission of this information.
5. The burden on small PHAs is minimized for the applicants by requiring minimal documentation/certification for resident-owned businesses.
6. The collection of information is regulatory and eligible applicants must provide it to be approved by PHAs for noncompetitive contracting for work to be performed on public housing sites. The information cannot be collected less frequently.
7. There are no known circumstances that require the collection of information as described in this item.
8. A Federal Register Notice was published ~~August 27, 2003~~[November 16, 2006](#) (Page ~~66792-52052~~). The public had until ~~October 28, 2003~~[January 16, 2007](#) to comment on the proposed information collection. No public comments were received.
9. No payment or gift will be provided to respondents.
10. There are no assurances of confidentiality. This information is available under the Freedom of Information Act.
11. There are no questions of a sensitive nature included in the information collection.
12. Estimated information requirements burden:

Section of Rule Affected	No. of Respdts.	No. of Resps. Per Respdts	Total Annual. Resps.	Hours Per Resps.	Total Hours
Reporting Burden 963.10	500	1	500	16	8,000
Recordkeeping Burden 963.12	500	1	500	1	500
Total Burden					8,500

There are approximately 3,300 PHAs. As there is no formal tracking of resident-owned businesses, previous experience indicates that about 15% of PHAs will be participating in this method of procurement.

13. There is no additional cost to the respondents.
14. There will not be any additional cost to the Federal Government.
15. The burden hours have not changed. [This is an extension of a currently approved collection with no adjustments or changes reported in Item 13 of the OMB 83-i.](#)
16. This information will not be published.
17. Once OMB approval is received, HUD will publish a Federal Register Notice announcing the number and the expiration date.
18. There are no exceptions to the certification.

#### B. Collections of Information Employing Statistical Methods.

Statistical methods will not be used to collect the information.