

# Paperwork Reduction Act Submission

Please read the instruction before completing this form. For additional forms or assistance in completing this forms, contact your agency's Paperwork Reduction Officer. Send two copies of this form, the collection instrument to be reviewed, the Supporting Statement, and any additional documentation to: Office of Information and Regulatory Affairs, Office of Management and Budget, Docket Library, Room 10102, 725 Seventeenth St. NW, Washington, DC 20503.

1. Agency/Subagency Originating Request: <b>U.S. Department of Housing and Urban Development</b> Office of Public and Indian Housing, Office of Policy, Program, and Legislative Initiatives		2. OMB Control Number: a. _____ b. <input checked="" type="checkbox"/> None <b>2577-xxx</b>	
3. Type of information collection: (check one) a. <input checked="" type="checkbox"/> New Collection b. <input type="checkbox"/> Revision of a currently approved collection c. <input type="checkbox"/> Extension of a currently approved collection d. <input type="checkbox"/> Reinstatement, <b>without change</b> , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, <b>with change</b> , of previously approved collection for which approval has expired f. <input type="checkbox"/> Existing collection in use without an OMB control number For b-f, note item A2 of Supporting Statement instructions.		4. Type of review requested: (check one) a. <input checked="" type="checkbox"/> Regular b. <input type="checkbox"/> Emergency - Approval requested by c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 6. Requested expiration date: a. <input checked="" type="checkbox"/> Three years from approval date b. <input type="checkbox"/> Other (specify)	
7. Title: <b>Study of Capital Needs in the Public Housing Program</b>			
8. Agency form number(s): (if applicable) N/A			
9. Keywords: Housing, public housing, research, unmet capital needs, accrual, inspection.			
10. Abstract: Survey a statistically significant sample of housing authorities and a set of public housing developments, buildings and units, using instruments that include systems inspection coding and information, costs, and modernization and conversion actions. Using these instruments, the study will generate estimates in constant dollars of existing and accrued total and per-unit capital needs at the national level and for important subcategories such as HA size (measured by number of ACC units) and region. The sample and data instruments shall enable statistically significant comparison with results from the 1998 capital needs study. The Study responds to a Congressional mandate.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households b. Business or other for-profit c. Not-for-profit institutions e. Farms f. Federal Government g. <input checked="" type="checkbox"/> State, Local or Tribal Government		12. Obligation to respond: (mark primary with "P" and all others that apply with "X") a. <input checked="" type="checkbox"/> Voluntary b. Required to obtain or retain benefits c. Mandatory	
13. Annual reporting and recordkeeping hour burden: a. Number of respondents 970 b. Total annual responses 970 Percentage of these responses collected electronically 0% c. Total annual hours requested 4,820 d. Current OMB inventory 0 e. Difference (+,-) +4,280 f. Explanation of difference: 1. Program change: 4,280 2. Adjustment:		14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) Do not include costs based on the hours in item 13. a. Total annualized capital/startup costs \$0.00 b. Total annual costs (O&M) \$0.00 c. Total annualized cost requested \$0.00 d. Current OMB inventory \$0.00 e. Difference \$0.00 f. Explanation of difference: 1. Program change: 2. Adjustment:	
15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X") a. Application for benefits b. <input checked="" type="checkbox"/> Program evaluation c. General purpose statistics d. Audit e. <input checked="" type="checkbox"/> Program planning or management f. <input checked="" type="checkbox"/> Research g. Regulatory or compliance		16. Frequency of recordkeeping or reporting: (check all that apply) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input type="checkbox"/> Annually 7. <input type="checkbox"/> Biannually 8. <input checked="" type="checkbox"/> Other (describe) <b>one-time</b>	
17. Statistical methods: Does this information collection employ statistical methods? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: <b>Harold Katsura</b> Phone: <b>(202) 402-3042</b>	

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## 19. Certification for Paperwork Reduction Act Submissions

On behalf of the U.S. Department of Housing and Urban Development, I certify that the collection of information encompassed by this request complies with 5 CFR 1320.9.

**Note:** The text of 5 CFR 1320.9, and the related provisions of 5 CFR 1320/8(b)(3), appear at the end of the instructions. The certification is to be made with reference to those regulatory provisions as set forth in the instructions.

The following is a summary of the topics, regarding the proposed collections of information, that the certification covers:

- (a) It is necessary for the proper performance of agency functions;
- (b) It avoids unnecessary duplication;
- (c) It reduces burden on small entities;
- (d) It uses plain, coherent, and unambiguous terminology that is understandable to respondents;
- (e) Its implementation will be consistent and compatible with current reporting and recordkeeping practices;
- (f) It indicates the retention periods for recordkeeping requirements;
- (g) It informs respondents of the information called for under 5 CFR 1320.8(b)(3):
  - (i) Why the information is being collected;
  - (ii) Use of the information;
  - (iii) Burden estimate;
  - (iv) Nature of response (voluntary, required for a benefit, or mandatory);
  - (v) Nature and extent of confidentiality; and
  - (vi) Need to display currently valid OMB control number;
- (h) It was developed by an office that has planned and allocated resources for the efficient and effective management and use of the information to collected (see note in item 19 of the instructions);
  - (i) It uses effective and efficient statistical survey methodology; and
  - (j) It makes appropriate use of information technology.

If you are unable to certify compliance with any of these provisions, identify the item below and explain the reason in item 18 of the Supporting Statement.

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Signature of Program Official:

Date:

X  
Bessy M. Kong, Deputy Assistant Secretary for Policy, Program, and Legislative Initiatives

# Supporting Statement for Paperwork Reduction Act Submissions

## A. Justification

1. *Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.*

## Authorization

This collection is authorized under Title 12 (12 U.S.C. 1701z-1 et seq.) **Research and demonstrations; authorization of appropriations; continuing availability of funds.** The Secretary of Housing and Urban Development is authorized and directed to undertake such programs of research, studies, testing, and demonstration relating to the mission and programs of the Department as he determines to be necessary and appropriate. It is also required under Public Law 110-161, the 2008 Consolidated Appropriations Act, which requires HUD to perform an updated Capital Needs assessment (CNA) from funds made available under this account for the public housing portfolio, including the projected annual cost to adequately maintain that portfolio.

## Focus of Study

With over a million units under Annual Contribution Contracts (ACC), the Department of Housing and Urban Development helps to fund and operate one of the largest multi-unit housing portfolios in the country. Addressing the capital needs of those units is a crucial part of keeping the units operating in a safe and sanitary manner. As it has been approximately a decade since the last Capital Needs Assessment, there is a lack of recent information about how well these measures have addressed existing and accrued capital needs. Accordingly, HUD has been asked by Congress to update the Capital Needs Assessment conducted on the nation's public housing stock in 1998.

This information collection will be a study of a statistically significant sample of housing authorities (HA) and a set of public housing developments, buildings and units. It will generate estimates in constant dollars of existing and accrued total and per-unit capital need at the national level and for important subcategories such as HA size (measured by number of ACC units) and region. The study will be compared to results from the 1998 capital needs study.

## Background

In the mid-1980s Congress requested HUD to contract a study of capital needs in Public Housing – a study that determined base levels of backlog and accruing capital need and that enabled a formula-driven allocation system of modernization funding to larger housing authorities, as opposed to housing authorities competing with each other for capital funding. In 1998, a rule implementing a revised allocation system that applied to all Housing Authorities was enacted. At the time of enactment, HUD contracted a study of backlog and accrual needs – “backlog” in the 1985 study was re-termed in the 1998 study “existing modernization needs”.

From the 1990s onward, all housing authorities above 250 units and then subsequently all housing authorities received capital need funding on the basis of formula shares of relative need applied to yearly national appropriations. Congress and HUD tried to meet the problem of severely distressed public housing whose needs (often reconfiguration) or whose problems (high vacancy rates and non-viable location) were not well addressed by yearly formula funding. The Department implemented two initiatives to meet those needs: the HOPE VI program to revitalize distressed housing and the

Conversion Rule (originally mandatory conversion only) to identify non-viable housing that should be demolished rather than be extensively modernized. Under these programs, over 100,000 units have been demolished.

More recently, capital needs decisions are affected by an operating rule initiative that promotes asset management for individual developments and by initiatives that have given housing authorities greater flexibility in financing modernization and development. Much of that flexibility is achieved by loans underwritten by expected formula capital funding. Moreover, housing authorities are being encouraged to use appropriate capital estimation methods to update the existing and accruing capital need estimates of their individual developments.

As it has been approximately a decade since the last Capital Needs Assessment, there is a lack of recent information about how well these measures have addressed existing and accrued capital needs. In order to provide HUD and Congress with better information to make policy and strategic decisions, in the recent conference report 110-443 accompanying Public Law 110-161, the Consolidated Appropriations Act of 2008, the conferees directed HUD to perform an updated Capital Needs Assessment, including annual cost estimates to adequately maintain that portfolio.

HUD has contracted with Abt Associates, Inc. and a team of subcontractors to design the data collection instruments, collect and analyze the data, and produce reports summarizing the findings.

2. *Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.*

This information collection will be a study of a nationally representative sample of housing authorities (HAs) and a set of public housing developments, buildings and units within the sample of housing authorities. The study will generate estimates in constant dollars of existing and accrued total and per-unit capital need at the national level and for important subcategories such as HA size (measured by number of ACC units) and region. The study results will be compared to results from the 1998 capital needs study.

The study will examine existing HUD data sets such as REAC and PIC and data gathered from a representative national sample of 140 HAs and 550 properties within these HAs. The overall sample of 550 properties will include all properties (a total of 162) with more than 500 ACC units, and the overall sample of 140 Housing Authorities will include all HAs (27) that contain one or more properties with more than 500 units. (If HUD exercises the study's option period, data on an additional 225 properties will also be collected). The respondents will be one representative from each of the 550 properties selected for inspection and on average of three respondents from each of the 140 HAs selected for a total of 970 respondents.

The study will include data drawn from physical inspections at each property site, and information about the capital estimation methods and results from recent HA determinations of existing and accrued capital needs. The results from the HA estimation will be compared to the results from the inspections. This information will be collected and analyzed in order to provide estimates in constant dollars of existing and accrued total and per-unit capital need at the national level and for important subcategories such as HA size (measured by number of ACC units) and region, in order to allow for more informed policy analysis.

The Abt Associates team is responsible for carrying out this study and will produce a final report of its major findings and recommendations for follow-up research and policy development as a result of

those findings. Abt Associates and subcontractors will conduct the inspections, recording responses in written/manual form.

### **Who Will Use the Information**

The information will be used by HUD to prepare a report to respond to the request made by the U.S. Congress for information on existing and accrued capital needs of the nation's public housing stock. HUD and Congress will use the study's findings to inform future policy decisions regarding the nation's public housing stock and to allocate funds for future capital improvements.

### **Instrument Item-by-Item Justification**

This information collection requires collection of three types of data: 1) Inspection data from on-site physical inspections of a sample of public housing buildings and units; 2) Repair cost data calculated based on observation of building system conditions, age, and materials; and 3) Survey data from a telephone survey of housing authority staff.

**Inspection Data.** The largest data collection effort involves the on-site physical inspections, where data on a sample of 550 properties in a nationally representative sample of 140 HAs across the country will be collected. Within each sampled property, condition and measurement information will be collected on over 150 systems contained within the site, buildings, and units. Approximately 4 buildings and 4 units within each site will be inspected. Inspectors will also drive through the neighborhood to obtain descriptive information about the surrounding area.

The observable system inspection protocols to be used in this study were initially developed for the Modernization Needs study conducted by Abt Associates in 1985, which inspected 1,000 public housing developments. The protocols were subsequently tailored for private housing stock, and refined based on experience in the field, for a study of the status of HUD-Insured Multifamily Stock study, also conducted by Abt Associates. The forms were again refined for the 1998 public housing capital needs study conducted by Abt Associates, and more recently for work done by the inspection subcontractor, On-Site-Insight, for their work in the private and public housing stocks. On-Site-Insight's current forms and inspection protocols are being updated for this study to reflect the current public housing stock.

**Cost File.** In order to use the data on observed condition to estimate capital needs, the contractor will develop a cost file that provides a repair cost estimate for each system based on its condition, materials, and quantity.

**HA Survey.** As part of the primary data collection effort the contractor will conduct a survey with staff from each of the 140 sampled HAs. The survey will (1) obtain information on each HA's current estimate of capital needs and anticipated expenditures over the next five years for the sample properties within their agency, (2) obtain actual costs and expenditures related to these items over the previous five years (10 years for a subset of properties), and (3) collect general information about the HA, including modernization strategy, strategy for making rehabilitation sustainable, capital estimation methods, recent and pending changes to the HA's public housing stock, and progress towards asset management. The data will be collected through a combination of telephone and mail requests. The contractor will send a written request to HAs to provide available information and then they will follow-up with a phone call to gather additional information and clarify any questions on the information received.

**Exhibit A-1** provides an overview of the systems to be observed by the inspectors. **Exhibit A-2** provides an overview of the topics covered in the HA survey. More detailed justifications of the survey questions are contained in the appendix X.

**Exhibit A-1. Type of Systems Covered During a Physical Inspection**

Form Type	Systems Covered
Site	<ul style="list-style-type: none"> <li>• Landscape and Hardscape</li> <li>• Irrigation Systems/Drainage Systems</li> <li>• Fencing and Retaining Walls</li> <li>• Storage Systems (above and below ground)</li> </ul>
Building	<ul style="list-style-type: none"> <li>• Foundation</li> <li>• Exterior Walls</li> <li>• Roofs and Parapet Walls</li> <li>• Doors and Windows</li> <li>• Exterior Stairs</li> <li>• Common Areas</li> </ul>
Building – Mechanical and Electrical	<ul style="list-style-type: none"> <li>• Gas Distribution</li> <li>• Fire Sprinkler System</li> <li>• Sanitary Distribution</li> <li>• Furnaces</li> <li>• HVAC</li> </ul>
Building Interiors	<ul style="list-style-type: none"> <li>• Wall, Ceiling, and Floor Surface</li> <li>• Casework</li> <li>• Plumbing Fixtures</li> </ul>
Unit	<ul style="list-style-type: none"> <li>• Doors</li> <li>• Living Area</li> <li>• Bathrooms</li> <li>• Bedrooms</li> <li>• Kitchen</li> </ul>

**Exhibit A-2. HA Survey Topic Justification**

Survey Section	Items Covered	Justification
<p><b>A: HA Characteristics</b></p>	<ul style="list-style-type: none"> <li>• Identifiers including agency name, number, address, phone, contact person</li> <li>• Subsidized housing programs run by agency, including number of units covered by each, the number added/removed from the last ACC, and estimate of number to be added/removed in current year.</li> <li>• Does HA operate mixed-income properties?</li> <li>• Special arrangements including whether or not HA is subject to special arrangements (MTW, receivership, etc.).</li> </ul>	<ul style="list-style-type: none"> <li>• Allows survey data to link to inspection data and for follow-up issues if needed.</li> <li>• Overview of the current portfolio</li> </ul>
<p><b>B: Capital Funding Plan</b></p>	<ul style="list-style-type: none"> <li>• Overview of the plan; when was it developed and by whom?</li> <li>• HA-wide: funding sources, amounts expected, allocation of funds estimated for next 5 years.</li> <li>• HA-wide: capital improvement expenditures: Projected expenditures next 5 years.</li> <li>• Decision process for allocating funds.</li> <li>• Overview of modernization strategy – how are priorities set? Who sets? Are priorities set centrally, or do sites managers play a role?</li> <li>• Proportion of capital funds used for management</li> <li>• Proportion of capital funds spent for required items (such as security).</li> <li>• For CFFP, details on how much funds raised, pledged, improvements planned</li> <li>• For properties that have had an internal recent CNA - copy of the CNA</li> </ul>	<ul style="list-style-type: none"> <li>• Capital improvement needs are often beyond what a housing authority has to allocate in a given year. Understanding the decision process used by individual HAs will inform the research as to how HAs prioritize need.</li> <li>• These questions will help improve understanding of resources allocation and resources available, and will enable comparison of PHA generated CNA with study estimate of need, and with actual costs of work.</li> </ul>
<p><b>C: Recent Capital Funding</b></p>	<ul style="list-style-type: none"> <li>• Funding sources, amounts received, allocation of funds past 2 years.</li> <li>• For a subset of developments that were in the 1998 study the team will request 10 years of past data.</li> <li>• Capital improvement expenditures for the entire HA: over past 2 years and planned against actual for past 2 years where improvements were made.</li> </ul>	<ul style="list-style-type: none"> <li>• Multiple years of data ensures that estimates are not skewed due to outliers in a particular year. Two years of past data is reasonable to collect with minimum burden to respondents. The 1998 study also collected funding information for the past 2 years.</li> <li>• In order to compare 1998 estimates with current estimates for a subset of properties, need to know all expenditures since last study.</li> <li>• In a subset of HAs, where the agency has had recent physical inspections done on developments that are closely matched to those sampled for inspection under this study</li> <li>• Will help with assessment of HA ability to estimate and carry out their plans.</li> </ul>
<p><b>D: Accessibility</b></p>	<ul style="list-style-type: none"> <li>• Accessibility standard against which HA operates; Percent of units accessible</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility improvements, along with</li> </ul>

Survey Section	Items Covered	Justification
<b>Improvements</b>	<p>under Uniform Federal Accessibility Standards (UFAS) and accessibility by disability type; Average per unit cost spent on accessibility improvements to meet standards (for the entire HA)</p> <ul style="list-style-type: none"> <li>Challenges faced in making accessible units; Average number of accessible units added per year; expected number to be added over next five years.</li> <li>Staff needs, if any, regarding accessible units.</li> </ul>	<p>those around lead, asbestos, and mold removal are costly improvements and not routinely captured on physical inspections. Yet they are directly correlated to the health of the residents and therefore important items in the overall capital improvement needs of the development. Understanding the average costs per unit to implement such improvements is critical.</p>
<b>E: 'Healthy Homes' Improvements</b>	<ul style="list-style-type: none"> <li>Percent of units in the HA that have undergone lead removal; Average per unit cost spent on lead abatement.</li> <li>Challenges faced in lead abatement; Average number of lead abatements done per year; expected number to be done over next five years.</li> <li>Percent of units that have undergone asbestos removal; Average per unit cost spent on removing asbestos from units.</li> <li>Challenges faced in removing asbestos.</li> <li>Percent of units that have undergone mold removal; Average per unit cost spent on removing mold from units.</li> <li>Challenges faced in removing mold.</li> </ul>	<ul style="list-style-type: none"> <li>See above</li> </ul>
<b>F: Energy Efficiency (EE) Improvements</b>	<ul style="list-style-type: none"> <li>Percent of units in the HA that have received EE upgrades or replacements;</li> <li>Average per unit cost spent on such upgrades or replacements.</li> <li>Challenges faced in EE improvements;</li> <li>Average number of EE improvements done per year;</li> <li>expected number to be done over next five years.</li> </ul>	<ul style="list-style-type: none"> <li>The physical inspection forms will capture some data on EE improvements, such as system age, system type, and whether or not a system requires an upgrade to be energy efficient. However, it is also important to understand per unit costs incurred to date for such improvements, and the number of such improvements planned for the next five years.</li> </ul>
<b>G: Background on Sample Development</b>	<ul style="list-style-type: none"> <li>Property name and project code;</li> <li>Special arrangements (CFFP, mixed finance, mixed income, etc). If mixed finance – details on amount of capital funding obligated to provide every year.</li> <li>Modernization plans;</li> <li>Lead/Asbestos/Mold abatement cost information</li> <li>Hard costs for development per unit</li> <li>Modernization funding received past 2 years (obligated and expended) (for some developments that overlapped with old sample – 10 years).</li> <li>Modernization spending planned next 4 years</li> </ul>	<ul style="list-style-type: none"> <li>This allows the capture cost information and background information on the developments targeted for inspection. This information supplements the data captured on physical inspections.</li> </ul>
<b>H: Transition to Asset Management</b>	<ul style="list-style-type: none"> <li>Status of transition to Asset Management</li> <li>Impact of transition on HAs ability to estimate capital needs</li> </ul>	<ul style="list-style-type: none"> <li>These questions enable us to address study requirement to assess progress towards and impact of transition to Asset Management</li> </ul>



3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

This information collection does not involve automated, electronic, mechanical or other technological collection techniques or information technology. Information collected be collected during the on-site interviews and processed manually and during the actual inspection where inspectors will manually complete inspection forms.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

PIH is not aware of any duplication of efforts to collect this data, either within HUD's Office of Policy, Development, and Research, or industry groups. The purpose of the study is to assess existing and accruing capital needs as outlined in legislation.

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

There is no impact to small entities. HA survey respondents will be the executive director of an HA or a designee(s).

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If this data is not collected there will continue to be a lack of current information about the unmet capital needs of public housing, for HUD policy-makers and for Congress to use in determining the best method for meeting those unmet capital needs. HUD policy-makers and Congress will also not be able to appropriately assess the steps taken to meet unmet capital needs after the 1998 study.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: 1) requiring respondents to report information to the agency more often than quarterly; 2) requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; 3) requiring respondents to submit more than an original and two copies of any document; 4) requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years; 5) in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; 6) requiring the use of a statistical data classification that has not been reviewed and approved by OMB; 7) that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or 8) requiring respondents to submit proprietary trade secrets, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

The proposed data collection activities are consistent with the guidelines set forth in 5 CFR 1320.6 (Controlling Paperwork Burden on the Public—General Information Collection Guidelines). There are no special circumstances that require deviation from these guidelines.

8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported. Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years - even if the collection of information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.

In accordance with 5 CFR 1320.8 (Paperwork Reduction Act of 1995), HUD published a Notice of Proposed Information Collection in the *Federal Register* announcing the agency's intention to request an OMB review of data collection activities for the Capitan Needs Assessment. The notice was published on September 10, 2008. A copy of this notice is included with this Information Collection Request (ICR). There were no comments received during the public comment period. HUD's contractor, Abt Associates, Inc, developed the data collection instruments with input from HUD's

Office of Public and Indian Housing (PIH) staff, and Abt’s subcontractors On-Site-Insight, and A.M. Fogerty and Associates. Minor changes were made to the data collection instrument, resulting from conversations with the external study group. The survey was slightly modified to include additional questions on energy efficiency, PHA accessibility, and healthy homes issues.

9. *Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.*

Respondents in this study are employees of the Public Housing Authorities. There will be no use of incentive payments on this study.

10. *Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.*

The statutory basis for confidentiality may be found in Title 5 (the Privacy Act) (5 U.S.C. § 552a (e) (10)). Confidentiality cannot be assured for this collection.

### **Records maintained on individuals**

**(e) Agency requirements.**—Each agency that maintains a system of records shall—  
**(10)** establish appropriate administrative, technical, and physical safeguards to insure the security and confidentiality of the records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained.

The data collection will involve only physical inspections and interviews with HA administrative personnel, and will not involve any data collection from households. Consistent with the statute referenced above, all data collected will be maintained on a secure drive at Abt Associates. Access to the data will be restricted only to relevant project staff, and the data files will be password protected. HA survey responses will be reported only in summary form and the agency respondent’s name will not be linked to its answers.

11. *Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.*

This information collection does not contain any questions of a sensitive nature.

12. *Provide estimates of the hour burden of the collection of information. The statement should: 1) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. Generally, estimates should not include burden hours for customary and usual business practices, 2) If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I, and 3) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 13.*

Exhibit A-3 provides information on the estimated time necessary to complete the data collection for the base period of the study. Total burden for data collection is estimated at 4,680 hours (4,400 hours for the inspections and 280 hours for the survey). Since the entire data collection period is roughly six months within the same calendar year, the total burden hours are the same as the average annual burden hours. Each of the 550 properties selected for inspection will need to provide a knowledgeable staff member to accompany the inspector during the 8 hour inspection. At each of the 140 HAs selected two to three staff members (such as the Executive Director and Director of Modernization) will need to spend a total of approximately 60 minutes (per respondent) responding to our information requests and follow-up questions. If the option is exercised, data collection will occur at an additional 225 properties, and interviews will be conducted with staff from 74 HAs.

**Exhibit A-3. Base Period Response Burden Summary**

<b>Data Collected</b>	<b>Number of Respondents</b>	<b>Burden per Respondent (Minutes)</b>	<b>Total Respondent Burden (Minutes)</b>	<b>Total Respondent Burden (Hours)</b>
Physical Inspections <sup>1</sup>	550	480	264,000	4,400
HA Survey	420	60	25,200	420
<b>TOTAL</b>	<b>970</b>	<b>600</b>	<b>280,800</b>	<b>4,820</b>

<sup>1</sup>The physical inspection process is estimated to take about 8 hours per property. A building or property manager is expected to accompany the inspector during the inspection. The respondents who complete the HA Survey and Physical Inspections will not be the same.

13. Provide an estimate for the total annual cost burden to respondents or record-keepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14). The cost estimate should be split into two components: (a) a total capital and start-up cost component (annualized over its expected useful life) and (b) a total operation and maintenance and purchase of services component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities. If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collections services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate. Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than to provide information or keep records for the government, or (4) as part of customary and usual business or private practices..

There is no cost to respondents other than the time required to respond to the survey.

14. Provide estimates of annualized costs to the Federal government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies may also aggregate cost estimates from Items 12, 13, and 14 in a single table.

The direct and indirect costs for a contractor to collect, analyze, and provide this information for the Office of Policy, Program, and Legislative Initiatives are \$5,115,350. This procurement was awarded on a competitive basis (full and open competition) and the total negotiated Firm & fixed price of the contract is \$5,115,350. This includes the costs of: 1) research design, 2) development of questionnaires and survey instruments, 3) collection of data, 4) data analysis, 5) case studies and reports, 6) travel, 7) final analysis reports and meetings, 8) database files, and 9) policy reports.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I.

This submission to OMB is a new request for approval; there is no change in burden.

16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The information recorded on the physical inspection forms will be used to generate cost estimates. Plans for tabulation and analysis of the inspection data are described in detail in Section B2.

Under the current study schedule the information collection and analysis period will run roughly approximately 10 months, beginning in April 2009 (pending OMB approval) and ending in February 2010 with the final report. The schedule breaks down as follows:

Data Collection: April through September 2009 (pending OMB approval).  
 Data Analysis: October through December 2009  
 Final Report: January through February 2010

There is no plan for publication beyond an internal report to the Agency.

17. *If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.*

All data collection instruments will prominently display the expiration date for OMB approval.

18. *Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.*

This submission describing data collection requests no exceptions to the Certificate for Paperwork Reduction Act (5 CFR 1320.9)

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

*The agency should be prepared to justify its decision not to use statistical methods in any case where such methods might reduce burden or improve accuracy of results. When Item 17 on the Form OMB 83-I is checked, "Yes," the following documentation should be included in the Supporting Statement to the extent that it applies to the methods proposed:*

1. *Describe (including a numerical estimate) the potential respondent universe and any sampling or other respondent selection methods to be used. Data on the number of entities (e.g., establishments, State and local government units, households, or persons) in the universe covered by the collection and in the corresponding sample are to be provided in tabular form for the universe as a whole and for each of the strata in the proposed sample. Indicate expected response rates for the collection as a whole. If the collection had been conducted previously, include the actual response rate achieved during the last collection.*

The study will implement a sampling strategy designed to produce a nationally representative probability sample of 140 housing authorities. From each selected housing authority, a sample of properties will be selected for a total of 550 properties. Information on conversion, modernization, or demolition strategies for each selected property will be collected. Within each property approximately four buildings and four units will be inspected. The inspected units will be contained in one or more of the four inspected buildings.

To define the sampling universe, the study team used information from HUD's 2008 public housing inventory file obtained in early June 2008. The file contained 1,205,198 units in 7,404 Asset Management Projects (AMPs). A number of important exclusions were made to the universe file.

- Because the study is intended to estimate the capital needs of developments likely to remain in the stock, units with proposed and approved demolition/disposition plans, completed demolitions/dispositions, or approved HOPE VI implementation grants as of June 2008 were removed from the universe file.
- To eliminate prohibitively expensive data collection costs, the study universe includes only developments located in the contiguous 48 states, the District of Columbia, and Puerto Rico. Therefore, units in Alaska, Hawaii, Guam, and the U.S. Virgin Islands were excluded.
- For the same reason, the study team has decided to exclude units in developments identified in the HUD PIC system as scattered-sites and contain fewer than 1.5 units per building because such developments would be expensive to inspect for the number of units they contain.
- Finally, as was done in the 1998 study, units in Turnkey developments were also removed from the study universe.

Therefore, the adjusted sampling universe for this study includes 1,079,561 units in 6,744 AMPs.

2. *Describe the procedures for the collection of information including:*

*\* Statistical methodology for stratification and sample selection,*

*\* Estimation procedure,*

*\* Degree of accuracy needed for the purpose described in the justification,*

*\* Unusual problems requiring specialized sampling procedures, and*

*\* Any use of periodic (less frequent than annual) data collection cycles to reduce burden.*

### **B2.1 Sampling Plan**

The overall sampling approach for this study is a multiple-stage probability sample based on probability-proportional-to-size (PPS) sampling, where size is indicated by the number of units available in the housing authority. **Properties**, defined in this study as the development components according to pre-asset management reform definition that make up each AMP, also play a central role in the sampling strategy.

Definitions:

- Housing development is defined as it was in the pre-asset management reform world.
- Asset Management Project (AMP) is the grouping of units and buildings that form a new “development”. In many cases old developments have been merged into a single AMP, and in some cases developments have been split into a number of AMPs.
- Property is the component of an old development that moved into a new AMP. For a single development that moved into a single new AMP the development, property and AMP are all the same. For an AMP that is comprised of a number of old developments, the properties in the new AMP are the old developments. In cases where old developments were split into a number of AMPs, the property is the portion of the old development that moved into the AMP.

The selected sample consists of a base sample of 140 housing authorities and a replacement sample of 5 housing authorities. The replacement sample is intended to compensate for both ineligible housing authorities and non-responses.<sup>12</sup> All 145 housing authorities will be pursued, anticipating that the final study sample may be slightly more or less than 140 depending on the actual number of ineligibles and non-responses.

Housing authorities were selected with PPS sampling in multiple stages. There are a total of 2,046 housing authorities in the sampling universe. In the first stage, all the properties with 500+ units were identified. Based on recommendations from HUD staff, the study team further restricted this set of properties to the AMPs where their “lead contributing property” contains 500+ units. The purpose of such restriction was to ensure that developments with 500+ units in both the AMP and pre-AMP definition would be included among the certainty sites.<sup>3</sup> There are a total of 162 such developments, spreading across 27 housing authorities. These housing authorities were therefore selected with certainty.

The remaining 123 housing authorities were selected next by defining a new sampling universe of developments by removing the 162 developments identified above as selected with certainty.<sup>4</sup> Housing authorities were then selected with PPS based on the new sampling universe. However, because some of the large housing authorities would be selected in this stage again with certainty due to their size and they would inevitably overlap with the 27 certainty authorities already selected, the target number of selected housing authorities for this stage could not be determined a priori. Rather, it was determined by a “trial and error” and iterative approach. After a series of trials, a sample of 135 housing authorities at the second stage was found to yield an overall sample of 145 housing authorities (including the 27 housing authorities selected in the first stage). As described above, the

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<sup>1</sup> For example, housing development with AMP code AL004000001 is created from two separate developments—AL004001 and AL004006—based on the pre-asset management reform definition. The first development contributes 164 units while the second development contributes 100 units. Therefore, in the sampling scheme, this AMP consists of two properties: 164 units from AL004001 and 100 units from AL004006.

<sup>2</sup> In some instances, a sampled HA may turn out to be ineligible after data collection begins. Reasons a HA may be deemed ineligible after the study begins include all the HA’s properties being scheduled for demolition in the current FY or all of the HA’s stock is scattered site. In the 1998 study for example, a small number of HAs originally sampled had HOPE VI plans in place for all their units so they were not eligible for that study.

<sup>3</sup> For example, if AMP code NY005000001 (510 units) consists of 5 separate properties: NY005001 (110 units), NY005002 (100 units), NY005003 (100 units), NY005004 (100 units), and NY005005 (100 units), the “lead contributing property” sampling strategy ensured that it would not be considered a certainty selection for the study, given that the number of AMPs that have more than 500 units is significantly higher than in 1998, and higher than the Congressionally mandated sample size. However, each individual property could be selected in the second stage among the non-certainty properties.

<sup>4</sup> The study team did not exclude the 27 HAs selected above for this second stage selection in order to potentially study the other developments in these HAs aside from the 162 with 500+ units.

target was 145 rather than 140 HAs to allow for some attrition of HAs (due to having ineligible projects, scheduling difficulties or refusals).

In order to ensure representativeness along dimensions of interest to HUD, selection of the non-certainty housing authorities at the second stage were done using 18 sampling strata: 4 Census regions (Northeast, Midwest, South, and West), 4 housing authority size categories (less than 250 units, 250-1249 units, 1250-6600 units, and 6600+ units), New York City Housing Authority, and Puerto Rico Housing Authorities.

**Exhibit B-1** compares the sampling universe of housing authorities with the selected sample. As expected, it shows that large and extra-large housing authorities are over-represented in the sample. This result is consistent with the expected probability proportional to size sampling plan.

**Exhibit B-1. Description of Sampling Universe and Sample of Housing Authorities**

	Sampling Universe		Sample	
	Number	Percent	Number	Percent
<b>Housing Authorities by Region</b>				
Northeast	413	13.6	36	24.8
Midwest	899	29.5	32	22.1
South	1,510	49.6	64	44.1
West	224	7.4	13	9.0
<b>Total</b>	<b>3,046</b>	<b>100.0</b>	<b>145</b>	<b>100.0</b>
<b>Housing Authorities by Authority Size</b>				
Less than 250 units	2,289	75.2	35	24.1
250 – 1,249 units	633	20.8	48	33.1
1,250 – 6,600 units	113	3.7	51	35.2
More than 6,600 units	11	0.4	11	7.6
<b>Total</b>	<b>3,046</b>	<b>100.0</b>	<b>145</b>	<b>100.0</b>

Notes: Excludes housing authorities in Alaska, Hawaii, Guam, and the U.S. Virgin Islands. Unit counts exclude approved and proposed demolitions, those with HOPE VI implementation grants, scattered-sites with fewer than 1.5 units per building, and Turnkey developments.

Sampled properties were selected in a multi-stage framework. The study includes all properties with 500+ units with certainty. The study team has identified a total of 162 such developments in the sampling universe. Over half of these properties are located in New York City (NYC). These properties constitute the certainty portion of the sampled properties and will be inspected according to the standard protocol.

The selection for the remaining 388 non-certainty properties cannot be done based on AMPs because that would yield a sample with more than 388 “properties” to inspect, which would be beyond the cost scope of the study. (For the very small housing authorities, each will be consolidating all their developments into a single AMP in the post-asset management reform world, and many large HAs consolidated former developments.) Nor can the sample focus exclusively on 388 old “developments,” because all future data collection and management at HUD/housing authorities will be at the AMP level. Therefore, for sampling purposes, the selection for the remaining developments will be based on the “properties” discussed above. The properties identify the components of old developments that moved into the new AMPs.<sup>5</sup>

<sup>5</sup> One implication of this sampling approach is that statistically reliable “development-level” estimates cannot be generated, but rather HA- and stock-wide estimates of capital needs. There are exceptions. For the 162 certainty developments and any other developments that have not changed configuration after the AMP transition, generating statistically reliable development-level estimates is feasible.



To carry out the selection, the 162 certainty properties were removed from the sampling universe. Next, the sample was restricted to the 135 housing authorities identified at the second stage of the housing authority selection. Developments for each housing authority were sorted by AMP and within each AMP by property. To account for non-responses, the study team determined that a sample of 404 properties was required, which would yield a sufficient number of replacement properties. This implies that picking on average 3 properties from each of the 135 housing authorities. However, given that some of the small housing authorities have fewer than 3 properties, other housing authorities in the list were over-sampled to ensure a final sample of 404 distinct properties. The properties were selected with probability proportion of size.<sup>6</sup>

To summarize, the final list of sampled properties contains 162 certainty AMPs and 404 non-certainty properties, arriving at a total of 566. This allows for a replacement sample of 16 properties.

Exhibit B-2 compares the sampling universe with the weighted sample in unit terms (where the weights are equal to the inverse of the selection probability). It shows that the sample represents the universe of public housing stock very well.

**Exhibit B-2. Description of Sampling Universe and Weighted Sample, in Unit Terms**

	Sampling Universe		Weighted Sample	
	Number	Percent	Number	Percent
<b>Housing Units by Region</b>				
Northeast	404,909	37.5	400,380	37.1
Midwest	205,008	19.0	205,121	19.0
South	387,356	35.9	389,288	36.1
West	82,288	7.6	84,771	7.9
Total	1,079,561	100.0	1,079,561	100.0
<b>Housing Units by Authority Size</b>				
Less than 250 units	205,085	19.0	216,789	20.1
250 – 1,249 units	304,211	28.2	293,067	27.2
1,250 – 6,600 units	267,439	24.8	269,134	24.9
More than 6,600 units	302,826	28.1	300,571	27.8
Total	1,079,561	100.0	1,079,561	100.0

Notes: Excludes housing authorities in Alaska, Hawaii, Guam, and the U.S. Virgin Islands. Unit counts exclude approved and proposed demolitions, those with HOPE VI implementation grants, scattered-sites with fewer than 1.5 units per building, and Turnkey developments.

Within each selected property approximately four buildings and four units will be sampled at random. (The four sampled units will come from one or more of the sampled buildings). For each selected building/unit, back-ups for inspection will also be sampled to ensure that all inspected buildings/units are selected at random. It is assumed that the randomly selected buildings and units represent all buildings and units in the property. In properties with multiple building types (high-rises, garden apartments, walk-ups, etc.), the sample will include at least one building of each type in the property, which will improve the reliability of the estimates.

<sup>6</sup> The selection probability for the certainty developments was equal to 1. When selecting the properties among the certainty housing authorities, the selection probability was equal to the number units at the property, divided by 2007.307. The threshold was determined in an iterative calculation process. Selection probability for the remaining properties was  $(6125.648/2007.307) \times \text{number of units at the property} / \text{number of units at the housing authority (after removing the certainty developments)}$ .

## **B2.2 Estimation Procedures**

On-site inspections of physical condition and detailed repair/replacement cost data will be used to estimate capital needs at the sampled properties. These estimates will then be used to provide national estimates of capital need and estimates for particular categories of HAs.

The information recorded by inspectors will be analyzed to produce estimates of repair/replacement costs in two broad categories:

1. Physical needs backlog costs (the costs of the backlog of currently needed repairs and replacements).
2. Estimated accrual costs, the future accrual of major repair and replacement costs.

The estimation of backlog repair costs based on the development inspections will involve seven steps:

1. conducting a physical inspection of the overall site and on average 4 buildings and 4 units within each project in the sample, according to the Observable Systems Methodology;
2. generating a system-level cost file providing, for each of the over 150 systems inspected, a cost associated with the possible action levels for that system;
3. calculating system-level costs for the site and *inspected* units and buildings;
4. inferring costs for *uninspected* units and buildings from inspected the ones, and using these to generate property-level costs;
5. regionally adjusting the property -level costs;
6. estimating needs for the full stock and for various subgroups of HAs by weighting the cost estimates for the inspected properties; and
7. adding cost estimates for groups of properties and categories of need not included in the observation-based estimation.

Accrual costs are those a development will need to cover expected repairs and replacements for each observable system over each of the next 10 years.

A detailed description of the methodology summarized here is available in the report on Capital Needs of the Public Housing Stock in 1998 and Abt's 1993 Assessment of the HUD-Insured Multifamily Housing Stock.<sup>7</sup>

## **B2.3 Justification of Level of Accuracy**

This study will generate estimates of the repair needs of the public housing stock that likely will be used by policy makers and HAs for years to come. In order to provide an approximation of the likely range of reliability of the estimates, Exhibit B-4 presents the data from the 1998 study on the mean, standard error and 95 percent confidence interval of the estimates of modernization needs and average annual accrual needs per unit for the stock as whole and various subsections of the stock. Exhibit B-5 presents similar estimates for the overall measures of needs.

These estimates provide an approximation of the expected reliability of the study-generated estimates. It is important to note that the confidence intervals presented in these tables account for the sampling

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<sup>7</sup>M. Finkel et al., *Capital Needs of the Public Housing Stock in 1998, Formula Capital Study* (HUD, Office of Public and Indian Housing March 2000) and James Wallace et al., *Assessment of the HUD-Insured Multifamily Housing Stock, Final Report Volume I: Current Status of HUD-Insured (or Held) Multifamily Rental Housing*, Appendix C (Cambridge, MA: Abt Associates, Inc., September 1993).



weights, the study sample size, and the size of the public housing stock. They do not account for the complex sample design (i.e. sampling clusters, strata, certainty sites etc). Relevant data elements to calculate the impacts of sampling design were not kept in the analysis file from the 1998 study. The actual estimation of confidence intervals for the current study will fully account for the complex design, and thus would likely yield slightly wider confidence intervals. Similarly, the 1998 sample included 684 developments, while the current sample includes 550 properties. Given that the overall stock size has remained roughly the same, it is expected that the current study will yield slightly wider confidence intervals if the mean estimates and standard errors are similar.

#### Exhibit B-4. 1998 Average Per-Unit Capital Needs Estimates

##### *Direct Estimates of the Existing Modernization Needs, per Unit*

Housing Authority Size	Point Estimate	Standard Error	Standard Error as % of Point Estimate	[95% Conf. Interval]	
<250 Units	\$13,868	\$990	7%	\$11,925	\$15,812
250-1,249 Units	\$17,631	\$855	5%	\$15,952	\$19,311
1,250-6,600 Units	\$18,875	\$1,043	6%	\$16,826	\$20,923
6,600+ Units	\$21,462	\$1,688	8%	\$18,147	\$24,777
NYC	\$23,074	\$1,885	8%	\$19,374	\$26,774
Chicago	\$26,184	\$2,276	9%	\$21,715	\$30,653
Puerto Rico	\$14,601	\$1,965	13%	\$10,742	\$18,460
All (except NYC, Chicago, PR)	\$17,720	\$547	3%	\$16,646	\$18,793

##### *Average Annual Accrual Years 1-20, per Unit*

Housing Authority Size	Point Estimate	Standard Error	Standard Error as % of Point Estimate	[95% Conf. Interval]	
<250 Units	\$1,821	\$54	3%	\$1,715	\$1,926
250-1,249 Units	\$1,640	\$41	2%	\$1,560	\$1,721
1,250-6,600 Units	\$1,645	\$43	3%	\$1,561	\$1,730
6,600+ Units	\$1,554	\$74	5%	\$1,409	\$1,698
NYC	\$1,918	\$58	3%	\$1,803	\$2,032
Chicago	\$1,346	\$64	5%	\$1,220	\$1,472
Puerto Rico	\$1,260	\$59	5%	\$1,143	\$1,377
All (except NYC, Chicago, PR)	\$1,668	\$25	1%	\$1,620	\$1,717

Note: Estimates for Puerto Rico differ from those reported in the 1998 report because of additional adjustment made in the report.

#### Exhibit B-5. 1998 Total Capital Needs Estimates

##### *Direct Estimates of the Existing Modernization Needs*

Housing Authority Size	Point Estimate (in millions)	Standard Error (in millions)	Standard Error as % of Point Estimate	[95% Conf. Interval] (in millions)	
<250 Units	\$2,740.0	\$303.0	11%	\$2,150.0	\$3,330.0
250-1,249 Units	\$6,040.0	\$493.0	8%	\$5,070.0	\$7,000.0
1,250-6,600 Units	\$5,500.0	\$476.0	9%	\$4,570.0	\$6,430.0
6,600+ Units	\$2,610.0	\$361.0	14%	\$1,900.0	\$3,310.0
NYC	\$3,610.0	\$573.0	16%	\$2,480.0	\$4,740.0
Chicago	\$843.0	\$201.0	24%	\$449.0	\$1,240.0
Puerto Rico	\$776.0	\$152.0	20%	\$478.0	\$1,070.0
All (except NYC, Chicago, PR)	\$16,900.0	\$627.0	4%	\$15,600.0	\$18,100.0

**Average Annual Accrual Years 1-20**

<b>Housing Authority Size</b>	<b>Point Estimate (in millions)</b>	<b>Standard Error (in millions)</b>	<b>Standard Error as % of Point Estimate</b>	<b>[95% Conf. Interval] (in millions)</b>	
<250 Units	\$360.0	\$34.8	10%	\$291.0	\$428.0
250-1,249 Units	\$562.0	\$39.7	7%	\$484.0	\$639.0
1,250-6,600 Units	\$479.0	\$34.5	7%	\$412.0	\$547.0
6,600+ Units	\$189.0	\$22.6	12%	\$144.0	\$233.0
NYC	\$300.0	\$41.9	14%	\$218.0	\$382.0
Chicago	\$43.3	\$9.8	23%	\$24.0	\$62.6
Puerto Rico	\$66.9	\$10.3	15%	\$46.7	\$87.2
All (except NYC, Chicago, PR)	\$1,590.0	\$42.7	3%	\$1,510.0	\$1,670.0

Note: Estimates for Puerto Rico differ from those reported in the 1998 report because of additional adjustment made in the report.

**B2.4 Unusual Problems Requiring Specialized Sampling Procedures**

The transition to an AMP-based public housing inventory (which changes the way developments are defined at many HAs) has significant impacts on sampling and on the analysis for this study. Numerous developments have been merged into single AMPs as part of the conversion to an AMP-based public housing inventory. Many HAs have consolidated old “developments” into new, larger AMPs (asset-management projects), and in a few cases have separated old “developments” into a number of new AMPs.

These changes have significant impacts on the sampling for the study, on the process for estimating capital needs and on the process for comparing needs in 1998 with current needs. The main impact of the transition on the estimation of capital needs results from the impact on sampling—instead of sampling full developments (one site, with a sample of buildings and units), the sample may now include an entity that is a portion of a new development (termed “property” for this study). Thus, the sample will not be used to generate “development-level” estimates, but rather HA- and stock-wide estimates of need.

**B2.5 Any Use of Periodic (less frequent than annual) Data Collection Cycles to Reduce Burden.**

Not applicable to this study as it requires data to be collected just once.

3. Describe methods to maximize response rates and to deal with issues of non-response. The accuracy and reliability of information collected must be shown to be adequate for intended uses. For collections based on sampling, a special justification must be provided for any collection that will not yield “reliable” data that can be generalized to the universe studied.

The target response rate for the inspection portion of this study is to inspect 550 individual properties and for the survey, to complete 140 interviews with HA staff. The selection of HAs and properties for participation in this study was done in a manner that ensures the data collected will be representative of the national public housing stock, as described above.

The contractor's experience with the similar study in 1998 yielded data from 199 housing authorities out of a selected sample of 205 HAs. Thus, for this study, a replacement sample of five HAs has been drawn to allow for any ineligible housing authorities, or non-response.

In the event that key respondent(s) to the HA survey are unable to answer particular items on the HA survey, missing values will be imputed. In the inspection process the forms will contain a check box to indicate that an item is either not applicable or not observable.

To maximize the response to each data collection component, a complete pre-test of the entire protocol will be done in September 2008 (as described in Section B4 below). The pretest ensures that the data collection forms are easy to use, that the survey questions are clearly worded, and that the burden estimates are real. In addition to pre-testing the entire protocol, each sampled HA will receive a letter from the HUD GTR requesting that they cooperate with the study. This letter will be followed with one from the contractor explaining the study requirements in more detail and also seeking their cooperation.

4. *Describe any tests of procedures or methods to be undertaken. Testing is encouraged as an effective means of refining collections of information to minimize burden and improve utility. Tests must be approved if they call for answers to identical questions from 10 or more respondents. A proposed test or set of test may be submitted for approval separately or in combination with the main collection of information.*

The entire set of data collection instruments—both on-site inspection forms and the HA survey—will be tested in September 2008 before the data collection begins. The contractor will pretest the entire inspection process at two different types of developments at each of three HAs. The pre-test sites are Alexandria, VA, Providence, RI and Athens, GA.

This pretest will encompass every step of the process—from inspection through costing reports. The pretest and revision process will be an iterative one. As each pretest is completed, instruments will be revised if necessary before the next pretest. This will enable the project team to make any procedural changes determined to be necessary to improve the process or the quality of the data collected.

A summary of the pretest findings will be presented in the Revised Request for OMB Clearance.

5. *Provide the name and telephone number of individuals consulted on statistical aspects of the design and the name of the agency unit, contractor(s), grantee(s), or other person(s) who will actually collect and/or analyze the information for the agency.*

HUD has contracted with Abt Associates, Inc. to conduct the data collection. The data collection procedures will be similar to those used in other studies involving capital needs assessments conducted by Abt Associates and its partners. HUD also contracted with Abt Associates to design the survey and establish the sample design. The HUD Government Technical Representative (GTR) reviewed all the proposed procedures and had them reviewed by other subject matter experts at HUD. If there are any questions about this submission, please call either Mr. Harold Katsura the HUD GTR at 202-402-3042 or the Abt Associates Project Director Meryl Finkel at 617-349-2380.

Signature of Senior Officer or Designee:

Date:

X  
Lillian Deitzer, PRA Program Manager,  
Office of Investment Strategies, Policy, and Management, Office of the Chief Information Officer