SUPPORTING STATEMENT U.S. Department of Commerce Economic Development Administration PROPERTY MANAGEMENT OMB CONTROL NO. 0610-0103

A. JUSTIFICATION

This request is to extend the OMB approval for this information collection.

1. Explain the circumstances that make the collection of information necessary.

The mission of the Economic Development Administration (EDA) is to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy. EDA provides investments that will help our partners across the nation (States, regions and communities) create wealth and minimize poverty by promoting a favorable business environment to attract private capital investment and higher skill, higher wage jobs through capacity building, infrastructure, research and technical assistance.

A recipient must submit a written request for EDA's approval to undertake an incidental use of property acquired or improved with EDA investment assistance. *See* 13 CFR § 314.3. This collection of information allows EDA to determine whether an incidental use of property acquired or improved with EDA investment assistance is appropriate. An incidental use of property: (1) does not interfere with the scope of the project or the economic purpose for which the investment was made; (2) provided that the recipient is in compliance with applicable law and the terms and conditions of the investment assistance, and (3) the incidental use of the property will not violate the terms and conditions of the investment assistance or otherwise adversely affect the economic useful life of the property. Eligible applicants and recipients should contact the appropriate regional office (whose contact information is available via the Internet at http://www.eda.gov) for guidelines on obtaining approval for incidental use of property.

If a recipient wishes for EDA to release its real property or tangible personal property interests before the expiration of the property's estimated useful life, the recipient must submit a written request to EDA and disclose to EDA the intended future use of the real property or the tangible personal property for which the release is requested (see 13 CFR 314.10 of EDA's regulations). This collection of information allows EDA to determine whether to release its real property or tangible personal property interests.

2. <u>Indicate how, by whom, and for what purpose the information is to be used.</u> <u>If the information collected will be disseminated to the public or used to support information that will be disseminated to the public, then explain how the collection complies with all applicable Information Quality Guidelines.</u>

The information is used by EDA personnel to determine whether to grant a request for incidental use of property acquired or improved with EDA investment assistance and/or whether to release EDA's real property or tangible personal property interest.

The information collected will not be disseminated to the public.

3. <u>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.</u>

EDA may, depending on the circumstances, accept an electronic submission.

4. Describe efforts to identify duplication.

EDA is unaware of any duplication with respect to this information collection. EDA periodically reviews its information collections to ensure that there is no duplication.

5. <u>If the collection of information involves small businesses or other small entities, describe</u> the methods used to minimize burden.

Pursuant to EDA's authorizing legislation and regulations, eligible applicants and eligible recipients of EDA investment assistance include "small entities" as defined by the Regulatory Flexibility Act (5 U.S.C. 601(6)). Accordingly, this information collection potentially involves small governmental jurisdictions or other small entities. As part of this Paperwork Reduction Act (PRA) process, EDA has conducted a thorough review of its forms and other information collections to minimize respondent burden. EDA collects only the minimum amount of information to effectively administer its programs and to monitor compliance with EDA's authorizing legislation (the Public Works and Economic Development Act of 1965) and EDA's regulations.

6. <u>Describe the consequences to the federal program or policy activities if the collection is not conducted or is conducted less frequently.</u>

EDA would not be able to fulfill its statutory mandate if the information collection is not conducted. This information is only collected when the recipient seeks EDA approval to undertake an incidental use of a property acquired or improved with EDA investment assistance or when the recipient intends to sell a property acquired or improved with EDA investment assistance.

7. Explain any special circumstances that require the collection to be conducted in a manner inconsistent with OMB guidelines.

Not applicable.

8. Provide a copy of the PRA Federal Register Notice that solicited public comments on the information collection prior to this submission. Summarize the public comments received in response to the notice and describe the actions taken by the agency in response to those comments. Describe the 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.

On January 22, 2009, a <u>Federal Register</u> notice (74 FR 3986) was published to solicit public comments on this information collection. No comments were received.

9. Explain any decisions to provide payments or gifts to respondents, other than remuneration of contractors or grantees.

No gifts or payments are provided to any respondent.

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

There is no assurance of confidentiality provided to respondents of this information collection. While information submitted by a respondent to EDA generally is subject to public disclosure, EDA does not publicly release confidential business information, including trade secrets and confidential commercial or financial information, to the extent that such information is exempt from public disclosure under the Freedom of Information Act (FOIA). See 5 U.S.C. 552(b)(4).

11. Provide additional justification for any question of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

This collection of information does not request information of a sensitive nature.

12. Provide an estimate in hours of the burden of the collection of information.

EDA receives approximately 54 incidental use requests and 96 requests to release EDA's property interest each year, for a total of 150 property management requests. Each request takes an estimated 45 minutes initially, with an estimated two hours to provide additional

documentation or respond to follow-up questions, if necessary, for a total estimate of 412.5 hours per year (150 * 2.75).

54 incidental use requests per year

- + 96 release requests per year
- = 150 property management requests per year

0.75 hours per initial request per year

- + 2 hours per follow up per year
- = 2.75 hours per request per year

Total Hours: 412.5 (413)

13. <u>Provide an estimate of the total annual cost burden to the respondents or record keepers resulting from the collection of information (excluding the value of the burden hours in Question 12.</u>

Postage to submit the letter is estimated at $-150 \times .44 = .66$

14. Provide estimates of annualized cost to the Federal government.

EDA estimates that each request for incidental use requires one hour of EDA staff time to review and approve or deny. EDA estimates that each request to release EDA's property interest requires 10 hours to review, approve or deny, and, if approved, prepare the necessary paperwork to release EDA's property interest. The value of the government's time is estimated at \$45 per hour. Therefore the annualized cost to the Federal Government is:

54 incidental requests

- * 1 hour per request
- = 54 hours per year for incidental use requests
- + 96 requests to release EDA's property interest
- * 10 hours per property release request
- = 960 hours per year for EDA property interest release requests

Total Cost: 1,014 total hours * \$45 = **\$45,630**

15. Explain the reasons for any program changes or adjustments reported.

Incidental use requests and requests to release EDA's property interest have increased since 2006 in response to rapid economic shifts as well as changes in the health of the real estate market and municipal finances (45 to 105). EDA has determined that the previous estimate of 4 hours

(now 2 hours and 45 minutes) to prepare a request was excessive, given that most requests are a single page letter.

The ROCIS system is showing \$0 cost burden for the previous submission due to rounding off when migrating the collection to ROCIS. The system allows the actual cost increase of \$66 to be recorded.

16. <u>For collections whose collections will be published, outline the plans for tabulation and publication</u>.

Specific details of information collected from respondents generally will not be published. However, some of the information collected may be published in aggregate form as part of EDA's annual report, Government Performance and Results Act reporting, EDA's Balanced Scorecard, or other summary reports.

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

Not applicable.

18. Explain each exception to the certification statement.

No exceptions are requested.

B. COLLECTIONS OF INFORMATION EMPLOYING STATISTICAL METHODS

This information collection does not employ statistical methods. EDA is not aware of any statistical sampling methods that might reduce burden or improve the accuracy of results.