

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: U.S. Department of Housing and Urban Development Office of Community Development and Development, Office of Block Grant Assistance		2. OMB Control Number: a. b. <input checked="" type="checkbox"/> None	
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, without change , of previously approved collection for which approval has expired e. <input type="checkbox"/> Reinstatement, with change , 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 type="checkbox"/> Regular b. <input checked="" type="checkbox"/> Emergency - Approval requested by May 4, 2009 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 type="checkbox"/> Three years from approval date b. <input checked="" type="checkbox"/> Other (specify) 6 months from approval	
7. Title: Neighborhood Stabilization Program 2 (NSP2)			
8. Agency form number(s): (if applicable) SF 424, SF-424-SUPP, SF-LLL, HUD-2880, HUD-40092			
9. Keywords: Neighborhood Stabilization, Grants Administration, Foreclosure, Community Development			
10. Abstract: This information describes the submission, reporting, and recordkeeping requirements of the Neighborhood Stabilization Program 2 (NSP2). The data required includes program level, project level and beneficiary level information collected and reported on by NSP2 grantees. The data identifies who benefits from the NSP2 program and how statutory requirements are satisfied. The respondents are state, local government, non-profit and consortium applicants.			
11. Affected public: (mark primary with "P" and all others that apply with "X") a. Individuals or households e. Farms b. Business or other for-profit f. Federal Government c. <input checked="" type="checkbox"/> Not-for-profit institutions 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. Voluntary b. <input checked="" type="checkbox"/> Required to obtain or retain benefits c. Mandatory	
13. Annual reporting and recordkeeping hour burden: a. Number of respondents 1500 b. Total annual responses 5,820 Percentage of these responses collected electronically 27% c. Total annual hours requested 27,744 d. Current OMB inventory 0 e. Difference (+,-) 27,744 f. Explanation of difference: 1. Program change: 27,744 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 b. Total annual costs (O&M) 0 c. Total annualized cost requested 0 d. Current OMB inventory 0 e. Difference 0 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. <input checked="" type="checkbox"/> Application for benefits e. <input checked="" type="checkbox"/> Program planning or management b. <input checked="" type="checkbox"/> Program evaluation f. Research c. General purpose statistics g. <input checked="" type="checkbox"/> Regulatory or compliance d. Audit		16. Frequency of recordkeeping or reporting: (check all that apply) a. <input type="checkbox"/> Recordkeeping b. <input type="checkbox"/> Third party disclosure c. <input checked="" type="checkbox"/> Reporting: 1. <input type="checkbox"/> On occasion 2. <input type="checkbox"/> Weekly 3. <input type="checkbox"/> Monthly 4. <input checked="" type="checkbox"/> Quarterly 5. <input type="checkbox"/> Semi-annually 6. <input checked="" type="checkbox"/> Annually 7. <input type="checkbox"/> Biennially 8. <input checked="" type="checkbox"/> Other (describe) Application for grant	
17. Statistical methods: Does this information collection employ statistical methods? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		18. Agency contact: (person who can best answer questions regarding the content of this submission) Name: Stanley Gimont Phone: (202) 708-3587	

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.

Signature of Program Official:

X

Date:

Signature of Senior Officer or Designee:

X
Lillian Deitzer, Departmental Reports Management Officer,
Office of the Chief Information Officer

Date:

Supporting Statement for Paperwork Reduction Act Submissions

Neighborhood Stabilization Program 2

A. Justification

1. Circumstances that make the collection of information necessary.

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (Recovery Act) of 2009 into law (Public Law 111-5, Section 2, Division A, Title XII of the Recovery Act, entitled “Community Development Fund”). This law provides \$2 billion of competitive grant funding for the redevelopment of foreclosed upon and abandoned homes in accordance with Title III of Division B of the Housing and Economic Recovery Act of 2008 (HERA) (Public Law 110-289). HERA provided for an initial round of formula funding to regular State and entitlement Community Development Block Grant (CDBG) grantees through the Neighborhood Stabilization Program (NSP1). ARRA provides for a competition that opens eligibility to non-profit groups and consortia that may include for-profit entities.

HUD will administer these funds as the Neighborhood Stabilization Program 2 (NSP2), and through a separate technical assistance grant (NSP-TA). Although funds are otherwise to be considered CDBG funds, HERA and ARRA make substantive revisions to the eligibility, use, and method of distribution of NSP2 funds. In NSP1, grantees submitted substantial amendments to their consolidated plans to secure funding they were entitled to under the formula. In NSP2, grant amounts will be determined by a competition as described in the NSP2 Notice, and requires applications demonstrating threshold eligibility and capability for HUD to make funding decisions.

On February 18, 2009, the Office of Management and Budget (OMB) issued Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009. This guidance spelled out the reporting requirements for funds allocated under the Recovery Act, including NSP2 funds. Specifically, the guidance requires quarterly reporting on:

- (1) The total amount of recovery funds received from that agency;
- (2) The amount of recovery funds received that were obligated and expended to projects or activities. This reporting will also include unobligated Allotment balances to facilitate reconciliations.
- (3) A detailed list of all projects or activities for which recovery funds were obligated and expended, including --
 - (A) The name of the project or activity;
 - (B) A description of the project or activity;
 - (C) An evaluation of the completion status of the project or activity;
 - (D) An estimate of the number of jobs created and the number of jobs retained by the project or activity; and
 - (E) For infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
- (4) Detailed information on any subcontracts or subgrants awarded by the recipient to include the data elements required to comply with the Federal Funding Accountability and Transparency act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of OMB.

The applicable section of the American Recovery and Reinvestment Act (Public Law 111-5, Section 2, Division A, Title XII of the Recovery Act, entitled “Community Development Fund”) is attached to this submission. Additionally, the applicable section of the Housing and Economic Recovery Act of 2008 (Public Law 110-289) is attached. Also attached is the Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009 issues by OMB on February 18, 2009. These three documents mandate and/or authorize the collection of data in this submission.

2. How the information is used

The respondents are applicants for benefits under NSP2. Applications will be reviewed by HUD to make funding determinations based upon applications indication of serving areas of greatest need, capacity of the organizations, and the soundness of approach among other factors addressed in the Notice of Funding Availability.

HUD will require NSP1 and NSP2 grantees to collect information on the activities undertaken with NSP funds. HUD collects this information from recipients through the Disaster Recovery Grant Reporting System (DRGR). HUD

Headquarters will use the information collected through DRGR to track compliance with NSP's statutory commitment and expenditure requirements and to generate the OMB prescribed quarterly reports. Program management reports are generated by DRGR to provide data on the status of each NSP recipients's commitment and disbursement of NSP funds. HUD will use this data to compile quarterly and annual reports to be posted on www.recovery.gov and www.hud.gov/recovery/.

3. Improved technology.

In order to facilitate rapid grant processing, the pre-award submission for this grant will be submitted in hardcopy to the Office of Block Grant Assistance at HUD and will not be made in grants.gov. The collection of NSP grant and project level information (collection of data on recipients, funds management, and project-level data) has been automated by DRGR. DRGR eliminates the need for respondents to submit paper reports. Once recipients are selected, they will be able to get system access by following the instructions on HUD's DRGR system website at <https://drgr.hud.gov/DRGRWeb/request.jsp>.

4. Efforts to identify duplication.

No similar information exists. The information collected through DRGR is project-specific and, therefore, unique to each recipient's NSP program.

5. Burden to small business or small entities.

The NSP2 Notice maintains a minimum threshold eligibility requirement that limits grantees to those with significant housing-related capacity. As such, HUD expects that such organizations should have the capacity to adhere to the reporting requirements in the Notice that are necessitated by program management rules, specific ARRA provisions, and the goal of prevention of fraud, waste and abuse.

6. Consequences if information is collected less frequently.

Less frequent data collection would prevent timely reporting of the OMB prescribed reports and statutory requirements.

7. Special circumstances

None.

8. Public Notice.

HUD will not publish a notice in the *Federal Register* soliciting comment on this request for approval of the revised information collection. A waiver for this FR was approved by OMB on April 13, 2009.

9. Payment or gifts.

None.

10. Assurance of Confidentiality

Recipients of the assistance will collect and maintain records of information. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

11. Questions of a Sensitive Nature.

None.

12. Annual Reporting and Recordkeeping Burden

The following table demonstrates the estimated paperwork burden for applicants in the pre-award process, and recipients in the post-award and reporting processes. The cost figures are based on a GS-11 salary.

Description of Information Collection	Number of Respondents	Number of Responses	Total Responses	Hours Per Response	Total Hours	Cost Per Response*	Total Cost
PRE-AWARD							
NSP2 Program Competition							
Threshold Determination*	1000	1	1000	1	1000	\$29.00	\$29,000
Narrative & Appendices	300	1	300	40	12000	\$1,160.00	\$348,000
SF 424	300	1	300	0.75	225	\$21.75	\$6,525
HUD-424-SUPP	300	1	300	0.03	9	\$0.87	\$261
SF-LLL	300	1	300	1	300	\$29.00	\$8,700
HUD-2880	300	1	300	4	1200	\$116.00	\$34,800
NSP2-TA Competition							
Narrative & Appendices	500	1	500	16	8000	\$464.00	\$232,000
SF 424	500	1	500	0.75	375	\$21.75	\$10,875
HUD-424-SUPP	500	1	500	0.03	15	\$0.87	\$435
SF-LLL	500	1	500	1	500	\$29.00	\$14,500
HUD-2880	500	1	500	4	2000	\$116.00	\$58,000
POST-AWARD							
NSP2 Program Competition							
Grant Agreement (HUD 40092)	70	1	70	1	70	\$29.00	\$2,030
Grantee's Written Agreements	70	1	70	5	350	\$145.00	\$10,150
DRGR Activation, Activity Set-Up and Completion	70	1	70	10	700	\$290.00	\$20,300
NSP2-TA Competition							
Grant Agreement (HUD 40092)	30	1	30	1	30	\$29.00	\$870
Grantee's Written Agreements	30	1	30	5	150	\$145.00	\$4,350
DRGR Activation, Activity Set-Up and Completion	30	1	30	10	300	\$290.00	\$8,700
REPORTING							
NSP2 Program: On-line Quarterly Reporting via DRGR**	100	4	400	1	400	\$29.00	\$11,600
NSP2-TA: On-line Quarterly Reporting via DRGR	30	4	120	1	120	\$29.00	\$3,480
TOTAL PAPERWORK BURDEN	1500***		5820		27,744		\$804,576

*The "Threshold Determination" will be completed by all prospective applicants to ascertain whether they meet the minimum threshold requirements in the NOFA. Those that do not meet threshold requirements may not apply.

** Includes Non-profit Organization Qualification Narrative, Consortium Agreement, Program Summary, Program Factor Narratives 1-6, and Appendices (code of conduct, leveraging documentation, calculation of removal of negative effects using HUD rubric, and certifications)

***HUD is requiring that for a three-month period leading up to the 2- and 3-year statutory expenditure deadlines, recipients report monthly, rather than quarterly. Thus, for those years, there will be two additional responses, at an additional cost of \$5,800.

**** This figure assumes different applicants for the NSP2 Program and NSP2-TA grants; however, it is possible that some entities may become recipients of both.

13. Estimate of Total Costs to Respondents

There are no additional costs to the respondents (other than the cost shown in item 12 above).

14. Estimate of Annualized Cost to Federal Government

The cost to the government to review the submissions and reports (but not including the costs of follow-up management, technical assistance or monitoring) is estimated at **\$275,184**.

NSP2 Application Review	4 hours X 300 submissions	1200 hours
NSP-TA Application Review	4 hours X 200 submissions	800 hours
Grant Agreement Preparation	1 hour X 100 agreements	100 hours
Management Reports	0.25 hour X 400 reports	100 hours
Total hours		2200 hours
Total cost to the Federal Government: 2200 hours at \$42/ hour**		\$275,184
(**This figure is based on GS-13 salary)		

15. Explanation of Program Changes / Adjustments

This is a new collection authorized by the American Recovery and Reinvestment Act (Recovery Act) of 2009 (Public Law 111-5, Section 2, Division A, Title XII of the Recovery Act, entitled "Community Development Fund").

16. Publication of Results

Not later than 10 days after the end of each calendar year quarter, starting on July 10, 2009, each recipient of NSP2 funds must report to HUD on those items prescribed by OMB in its Initial Implementing Guidance for the American Recovery and Reinvestment Act of 2009 issued on February 18, 2009.

17. Display of the Expiration date for OMB Approval of the Information Collection

The Office of Community Planning and Development is not seeking to not display the expiration date for OMB approval of the information collection.

18. Explanation of Each Exception to the Certification Statement

No exceptions are made to the certification statement identified in item 19, "Certification for Paperwork Reduction Act Submissions," of OMB Form 83-I.

B. This collection does not employ statistical methods.