



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
Office of Sustainable Housing and Communities
WASHINGTON, DC 20410-0050

JUN - 8 2010

Ms. Lynn L. Jacobs
State of California
Department of Housing and Community Development
Office of the Director
1800 Third Street, Room 450
Sacramento, CA 95811

Ref: Docket Number FR-5396-N-44
Sustainable Communities Planning Grant Program
Rating Factor Forms

Ms. Jacobs:

Thank you for your letter dated June 3, 2010 with comments on Docket Number FR-5396-N-44, Sustainable Communities Planning Grant Program – Rating Factor Forms. As you may know, these forms will be part of the yet to be released Sustainable Communities Regional Planning Grant Notice of Funding Availability (NOFA). The NOFA will provide the contextual information that these forms will supplement. We agree with your statement; “it is difficult to evaluate the proposed forms absent more complete information from the NOFA”; without the proper background information the forms may not be entirely comprehensible.

Unfortunately, due to the HUD Reform Act, 42 U.S.C. 3537, we are not able to provide you with the information contained in the NOFA that may address and clarify some of your concerns. The HUD Reform Act prohibits the disclosure of *covered selection information* to any person not authorized to receive such information until after the grant awards have been announced. Covered selection information includes, information pertaining to the development of the NOFA, information regarding any applicant’s relative standing; the amount of assistance requested by any applicant; and any information contained in any application.

We look forward for your review of the NOFA once it is released and for your feedback on the forms at that time.

Sincerely,

A handwritten signature in black ink, appearing to read "Shelly Poticha".

Shelly R. Poticha,
Director

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR**

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June 3, 2010

HUD Desk Officer
Office of Management and Budget
New Executive Office Building
Washington, D.C 20503

Via email

RE: Docket Number FR-5396-N-44
Notice of Submission of Proposed Information Collection to OMB;
Emergency Comment Request;
HUD Office of Sustainable Housing and Communities –
Sustainable Communities Planning Grant Program, Public Law 111-117
(Rating Factor Forms)

HUD Desk Officer,

This letter responds to the Notice and emergency request for comments on the proposed collection of information for the above pending grant program. These comments represent the strong interest in and support for the new Sustainable Housing and Communities Program not only by our department, but also in recognition of the strong interest in participation by many stakeholders across the country. The department submitted comments in March in response to the Advance Notice and Request for Comment, FR-5396-N-01 for this new program. Our department has extensive and long-standing experience in both administration of HUD programs, including design and administration of new competitive programs on a statewide basis for large numbers of applicants.

The extremely short comment period for this notice (barely five work days, split by a Monday holiday) precludes review and timely response by most of the large number of interested parties. Further, it is difficult to evaluate the proposed forms absent more complete information from the NOFA, as fundamental information such as eligible applicants and uses, etc., or the proposed weighting of the factors, is not yet known.

While understood the program involves comprehensive planning, a major concern is that it is not clear how planning to address the need for preserving, rehabilitating and constructing housing, affordable at income levels otherwise designated by HUD programs, is to be required or evaluated by the program. Given the country's critical affordable housing needs, inclusion of "housing costs" as one of seven need factors in

effect dilutes recognition of critical housing needs. For example, while “fresh food access” is important, it would not warrant equivalent weighting of need for “housing” directly. The effect of use of the CNT affordability index involves many issues warranting evaluation before application as a pivotal determinant of housing costs in competitive applications, and should first be the subject of further research. It is also unclear how prospective regional land use planning activities would actually affect the proposed health factors, e.g. low birth weight, other than in a relatively indirect and long-term sense and relative to more immediate needs.

A second major concern is that a large portion of the data proposed to be required for “Factor 2 – Need and Extent of the Problem,” would be problematic as described below, relative to the points posed by the Notice.

1. Necessity of proposed collection of information for the proper performance of the functions of the agency, including whether the information will have practical utility:

The proposed data to be collected omit critical information more directly identifying affordable housing needs to advance effective use of other HUD housing and community development assistance programs. It is unclear from the forms alone that the proposed data items will have practical utility in rating and ranking applications most effectively advancing the livability principle of “promoting equitable affordable housing.” It is unclear how the more limited availability of data for rural areas, where data items are frequently missing or must be adjusted for statistical issues common to small areas, are to be accommodated by the forms.

2. Evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information:

The Notice estimates a reporting burden of 600 hours for the application. While it is unclear how this figure was calculated, anything approximating that amount would be a heavy and excessive burden on applicants, particularly if necessary to complete within a 60 day period. While the 600 hours may be overstated, collection of the proposed data would be very time-consuming because of the number of varied data items, in some cases necessitating aggregating multiple geographic levels, the likelihood of missing data for small areas etc. See below also.

3. Enhance the quality, utility, and clarity of the information to be collected;

The proposed forms include hyperlinks for sources for the data requested to a website (<http://www.hud.gov/sustainability>) which, when access is attempted, is unavailable. As a result, the proposed definitions for many of the data items are unavailable for review. There appears to be lack of clear definitions for many items and many of the data items are not standardized or are data that applicants are likely to be familiar with to be confident of its validity or reliability (e.g. items 2.2, 4.2.), or not applicable to current conditions. In other cases some data items are proposed for a time period for

which the data would not yet be available as an estimate of existing conditions (i.e., item 3.2. Regional Trips for 2010). It is unclear what is meant by “Date Documented”, requested for each factor item - might this be intended to mean the date the data was retrieved from the designated website, or the date the data was collected by the data source?

4. Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated collection techniques or other forms of information technology:

While it appears an attempt has been made to minimize the data collection burden by identification of some online data sources, it is unclear if the forms are intended to be accompanied by more detailed instructions. Hyperlinks to a website by themselves don't necessarily connect users directly to the appropriate data, nor clarify how it is to be assembled. See above regarding hyperlinks unavailable.

All of the data items, in particular, item 5.1., are not constructed to ensure consistent and uniform information among all applicants. There are a number of issues with this item, e.g. the five largest employers asked for in the heading, would not necessarily be the same as the five largest employment centers by SIC designation, and local EDCs and housing offices do not have standardized reporting for these items across the country. Without requirement for use of a standardized date-specific source, and detailed instructions for how the housing units within 2 miles are to be measured relative to the employment centers, and its unclear, for example, if the portion of subsidized housing is to be calculated as a subset of the former, or exactly what the definition of “subsidized housing” includes, nor whether there would, as there should be, consideration of affordable market-rate housing vulnerable to displacement of lower-income households.

In our judgment, the proposed information to be collected would not facilitate the review process when the applications are being reviewed, ranked and rated. It is not possible to discern from the proposed forms alone how the factors would be rated, and without that information, it is difficult to judge the appropriateness of the data items individually or in total.

While we understand the desire to release of the NOFA quickly, designing a new program with such a broad range of stakeholders and high level of interest is particularly difficult, and warrants more time be taken to address the above concerns, and more meaningful opportunity for review and comment.

HUD Desk Officer
Page 4

Thank you for the opportunity to comment. If you have any questions, or if departments such as ours can be of assistance, please contact Linda Wheaton at (916)445-4775 (lwheaton@hcd.ca.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn L. Jacobs". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Lynn L. Jacobs
Director

Cc: Cynthia Abbott, Director, HUD Field Policy and Management Office, Sacramento
Diane Taylor, COSCDA