Supporting Statement for Paperwork Reduction Act Submissions

Minimum Property Standards for Multifamily and Care-type Facilities 2502-0321

A. Justification

- 1. Section 405(a)(3) of the Housing and Urban Rural Recovery Act of 1983, revised October 17, 1984, Section 1735f-4, permits the Secretary of HUD to assist properties that are built, to comply with State or local codes that are the equivalent of model building codes and makes the Secretary responsible for determining equivalency. Regulation 24 CFR 200.925 implements Section 1735f-4 for multifamily housing and care-type facilities and establishes rules in 24 CFR Part 200.929 for determining the equivalency of State or local codes for such assisted properties.
- 2. Regulation 24 CFR 200.925 requires anyone with an interest in proposing construction of a property (mortgagor or mortgagee) to comply with model codes, or State or local codes that have been submitted to HUD by such parties and deemed equivalent. If such State or local codes are deemed equivalent, HUD assisted properties need only comply with such equivalent codes. Therefore, under this information collection, prospective mortgagors or mortgagees or local building authorities must submit the local or state building requirements that set forth design and construction requirements in a particular area or jurisdiction where the codes and standards have not been evaluated for equivalency to HUD's Minimum Property Standards requirements. The applicants must submit the following material to the HUD field Office serving the jurisdiction in which the property is to be constructed:
 - A copy of the jurisdiction's building code, including all applicable service codes, appendices, and reference standards; and
 - A copy of the statute, ordinance, regulation, or order establishing the code, is such statute, ordinance regulation, or order is not contained in the building code itself.

Further, the same or other parties with an interest in other proposed properties in the same jurisdiction need only submit a statement that State or local codes have not been changed since last deemed equivalent by HUD. If the State or local codes have changes, they need to submit changes for updating the prior HUD determination.

If information is not collected about State or local codes, parties will have to comply with both State or local codes and HUD standards (model codes). This process could be confusing, burdensome and cost ineffective to such parties.

- 3. Electronic means for collecting this information is difficult due to the nature and type of information submitted and requested. The type of documentation required is not practical to automate and often consists of building codes and state/local building regulations which are voluminous and not electronic in original format. The respondents have the option of scanning the documents and sending them by email.
- 4. No similar information collected is available for use or modification.
- 5. The methods used to minimize the burden of collecting information from small business or other small entities will be limited by the collection of information to one submission of basic information per code jurisdiction, no matter how many subsequent properties are submitted by the original party or other parties in the same jurisdiction. The burden of collecting updated basic information will be minimized in the same way.

- 6. If the collection of information were conducted less frequently, the consequences to the Federal program or policy activities would result in the withholding of information that could lead to erroneous determinations of local code comparability, jeopardize Federal insurance funds, and cause public condemnation.
- 7. Periodic assessments are made on the use of the information reported to determine their continued need.
- 8. None of the guidelines specified at 5 CFR 1320.6 are being violated. The previous agency notice soliciting comments on the information collection was published in the <u>Federal Register</u> on June 30, 2010 (Vol. 75, No. 125, page 37825). No comments were received.

In the past 15 years we have not had any submissions states for Multi Family and Health Care Facilities to update their Minimum Property Standards.

- 9. No gifts or payments are provided to the respondents.
- 10. All information being collected is public information. No assurance of confidentially is needed.
- 11. No questions of a sensitive nature are involved.
- 12. Estimate of public burden:

Information Collection	Number of Respondents	Frequency of Response	Responses per Annum		Annual Burden Hours	Hourly Cost	Annual Cost
Application for initial acceptance of the jurisdiction's building code	1,000	1	1,000	8	8,000	\$20	\$160,000
Application for updating the jurisdiction's building code	200	1	200	2	400	\$20	8,000
Total	1,200		1,200		8,400		\$168,000

Hourly rate based on an estimated average annual of \$40,000 for respondent staff.

- 13. There are no additional capital start-up costs to the respondents.
- 14. Based on a review of 1,000 code evaluations, the Federal government burden would be approximately 20,000 hours with an average of 20 hours per response and the estimated total cost would equal approximately \$597,400 citing an hourly rate of \$29.87 (1,000 applications x 20 hours per response x \$29.87 = \$597,400).
- 15. This is an extension of a currently approved collection. There have been no program changes in the evaluation requests.
- 16. The collected information will not be published.
- 17. HUD is not seeking approval to avoid displaying the expiration date.
- 18. There are no exceptions to the certification identified in item 19 of the OMB form 83-I.

B. Collections of Information Employing Statistical Methods

The collection of information does not employ statistical methods.