

# 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 Public and Indian Housing and Office of Housing-Federal Housing Commissioner	2. OMB Control Number: a. b. <input checked="" type="checkbox"/> None
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3. Type of information collection: (check one) a. <input checked="" type="checkbox"/> New Collection b. Revision of a currently approved collection c. Extension of a currently approved collection d. 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 type="checkbox"/> Regular b. <input checked="" type="checkbox"/> Emergency - Approval requested by 8/7/2012 c. <input type="checkbox"/> Delegated 5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities? Yes No <input checked="" type="checkbox"/> X 6. Requested expiration date: a. <input type="checkbox"/> Three years from approval date b. <input checked="" type="checkbox"/> Other (specify) 6 Months
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7. Title: Rental Assistance Demonstration (RAD): Supporting Contracts for the Second Component.

8. Agency form number(s):

9. Keywords: Housing, RAD, Rental Assistance Demonstration

10. Abstract: The Rental Assistance Demonstration allows Public Housing and Moderate Rehabilitation (Mod Rehab) properties to convert to long-term Section 8 rental assistance contracts; and Rent Supplement, Rental Assistance Payment and Mod Rehab properties upon contract expiration or termination, to convert tenant protection vouchers (TPVs) to project-based vouchers (PBVs). Participation in the initiative will be voluntary;

11. Affected public: (mark primary with "P" and all others that apply with "X") a. <input type="checkbox"/> Individuals or households e. <input type="checkbox"/> Farms b. <input type="checkbox"/> Business or other for-profit f. <input type="checkbox"/> Federal Government c. <input 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. <input checked="" type="checkbox"/> Voluntary b. <input type="checkbox"/> Required to obtain or retain benefits c. <input type="checkbox"/> Mandatory
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13. Annual reporting and recordkeeping hour burden: a. Number of respondents 99 b. Total annual responses 99 Percentage of these responses collected electronically <b>0%</b> c. Total annual hours requested d. Current OMB inventory <b>N/A</b> e. Difference (+,-) f. Explanation of difference: <b>New Collection</b> 1. Program change: 2. Adjustment:	14. Annual reporting and recordkeeping cost burden: (in thousands of dollars) a. Total annualized capital/startup costs 0 b. Total annual costs (O&M) 0 c. Total annualized cost requested 0 d. Total annual cost requested 0 e. Current OMB inventory 0 f. Explanation of difference: 1. Program change: 0 2. Adjustment: 0
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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. <input type="checkbox"/> Research c. <input type="checkbox"/> General purpose statistics g. <input checked="" type="checkbox"/> Regulatory or compliance d. <input type="checkbox"/> Audit	16. Frequency of recordkeeping or reporting: (check all that apply) a. Recordkeeping b. Third party disclosure b. 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) One time in the next 15-20 years.
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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: <b>Ian Goldfarb</b> Phone: <b>202.402.6294</b>
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## 19. Certification for Paperwork Reduction Act Submissions

On behalf of this Federal Agency, 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 Colette Pollard, Departmental Reports Management Officer Office of Chief Information Officer	Date:

# Supporting Statement for Paperwork Reduction Act Submissions

## Rental Assistance Demonstration Supporting Statement for Paperwork Reduction Act Submission Office of Public and Indian Housing, Office of Housing-Federal Housing Commissioner

### 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.**

The Department of Housing and Urban Development's (HUD) 2012 Appropriations Bill<sup>1</sup> authorized the **Rental Assistance Demonstration (RAD)**. The Demonstration allows Public Housing and Moderate Rehabilitation (Mod Rehab) properties to convert to long-term Section 8 rental assistance contracts; and Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Mod Rehab properties, upon contract expiration or termination, to convert tenant protection vouchers (TPVs) to project-based vouchers (PBVs). Participation in the initiative will be voluntary. HUD intends, through the conversion process, to assure the physical and financial sustainability of properties and enable owners to leverage private financing to address immediate and long-term capital needs, improve operations, and implement energy efficiency improvements.

The information collection contained herein supports the conversion of the applicant's projects by providing the related contract documents that awardees will sign as part of the conversion process

### **Additional Background**

There are two components to the RAD Demonstration, influencing the collection requirements. Under the first component, PHAs and Mod Rehab owners may compete for conversion to long-term section 8, limited to 60,000 units. Under the second component, owners of Mod Rehab, as well as owners of Rent Supplement and Rental Assistance projects, may, at contract expiration or termination, convert tenant protection vouchers to project-based vouchers. Unique contractual and processing requirements are associated with each component and for each pre-conversion program type; however, these contractual documents are only for Mod Rehab, Rent Supp and RAP under the second component.

The contractual documents included under this collection include:

- Agreement to Enter Into Housing Assistance Payments Contract (AHAP) Contract Rider for Mod Rehab, Rent Supp and RAP Conversions to PBV
- Housing Assistance Payments (HAP) Contract Rider for Mod Rehab, Rent Supp and RAP Conversions to PBV – Existing Housing
- Housing Assistance Payments (HAP) Contract Rider for Mod Rehab, Rent Supp, and RAP – New Construction

The RAD Conversion Commitment (RCC) is a contract executed by HUD and a converting public housing agency or owner, following HUD approval of the financing plan and any necessary milestones. The RCC describes the key components of the planned RAD conversion and will inform the applicant of the conditions that must be satisfied in order to complete the conversion. The different RAD Housing

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<sup>1</sup> Public Law 112-55-Consolidated and Further Continuing Appropriations Act, 2012. Signed November 18, 2011

Assistance Payments (HAP) Contracts and the Agreement to Enter into a Housing Assistance Payment (AHAP) Contract set forth the rights and duties of the applicant and HUD with respect to the converted project and any payments under that project.

- 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 from the current collection.**

The HAP contracts are essential legal documents required to implement the program in accordance with program and statutory rules.

- 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.**

These are contractual documents that do not require an electronic portal or advanced technology because they will be formally signed at closing with HUD officials who will be providing the 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.**

There is no duplication of reporting. The covered collection activities are not available elsewhere.

- 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.**

This information collection has no impact on small businesses or other small entities.

- 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.**

Public Housing Authorities and project owners interested in participating in the Demonstration and who have had their applications approved are required to submit this information to HUD. Failure to collect this information would impede the Department's ability to enter into binding contractual relations to effectuate the successful conversion of units under the Demonstration.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

**\* Requiring respondents to report information to the agency more often than quarterly;**

None.

**\* Requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**

Due to the nature of this emergency request, it is possible that two respondents will be required to sign the associated contractual documentation in fewer than 30 days of receipt.

**\* Requiring respondents to submit more than an original and two copies of any document;**

None

**\* Requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records, for more than three years;**

None

**\* 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;**

None

**\* Requiring the use of a statistical data classification that has not been reviewed and approved by OMB;**

None

**\*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**

None

**\* 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.**

None

**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.**

None

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

No payment or gift will be granted to the respondents.

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

Assurance of confidentiality is neither provided nor needed for this information collection.

**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.

No sensitive information is being asked by this collection.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

**\* 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.**

**\* 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.**

**\* 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 1.**

The number of respondents for the forms listed below and reflected in the chart below indicates the amount of *potential* respondents. Individual forms must be submitted for each project that the applicant is seeking to convert under RAD.

HUD will be accepting applications from Mod Rehab, Rent Supp and RAP projects. Unlike the first component, the second component has a different set of statutory requirements necessitating a different set of contractual documents. Additionally, there is no limitation on the amount of Mod Rehab, Rent Supp and RAP projects that can apply for conversion. HUD anticipates that of the overall Mod Rehab, Rent Supp and RAP program portfolio, 10% (5,000 units) will convert under RAD. HUD determined that 10% will be approved because there are funding constraints attached to the Tenant Protection Voucher (TPV) funding necessary to convert under the second component. The Department used the median amount of units in a Mod Rehab, Rent Supp and RAP projects to determine that 66 projects will convert to PBVs. HUD further determined that half (33) of all Mod Rehab, Rent Supp and RAP units converting under the second component will require rehabilitation, necessitating both a RAD AHAP Rider and a Rehabilitation Housing HAP Contract Rider (second component rider); the remainder (33) shall only require an Existing Housing HAP Contract Rider (second component rider). All Mod Rehab projects converting must sign a RCC, as required by the statute (33).

Type of Reporting	Respondents	Annual Responses	Total Responses	Burden Hours per Response	Total Burden Hours	Salary (per hour)	Total Burden Cost
<b>PBRA Rehabilitation Housing HAP Contract</b>	33	1	33	1	33	\$40	\$1,320

Rider – Mod Rehab, Rent Supp and RAP (second component rider)							
PBRA Existing Housing Contract Rider – Mod Rehab, Rent Supp and RAP (second component rider)	33	1	33	1	33	\$40	\$1,320
PBV AHAP Contract Rider	33	1	33	1	33	\$40	\$1,320
<b>Total</b>	<b>99</b>		<b>99</b>		<b>99</b>	<b>\$40</b>	<b>\$3,960</b>

**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).**

There are no start-up or additional costs to the respondents other than those reported in Item 12 above in the Burden Cost Column. The GS-14-1 wage was used for this collection, at \$40 per hour.

**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.**

There will be no additional costs to the Federal government for this information collection.

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

Not applicable.

**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.**

Information collection results will not be published.

**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.**

The OMB approval number and date will appear on the HUD-prescribed forms.

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

There are no exceptions to the certification statement.

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

There are no collections of information that employ statistical methods.