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. **X** None

3. Type of information collection: (check one)
- a. ☒ New Collection
- b. Revision of a currently approved collection
- c. Extension of a currently approved collection
- d. Reinstatement, **without change**, of previously approved collection for which approval has expired
- e. ☐ Reinstatement, **with change**, of previously approved collection for which approval has expired
- f. ☐ 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. ☒ Regular
- b. ☐ Emergency - Approval requested by
- c. ☐ Delegated

5. Small entities: Will this information collection have a significant economic impact on a substantial number of small entities?
Yes No X

6. Requested expiration date:
a. ☒ Three years form approval date b. ☐ Other (specify)

7. Title: Rental Assistance Demonstration (RAD) Application Forms

8. Agency form number(s): HUD-5260, HUD-5261

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; the attached applications will be used to determine eligibility for Public Housing and Mod Rehab owners only.

11. Affected public: (mark primary with "P" and all others that apply with "X")
- a. Individuals or households
- b. Business or other for-profit
- c. Not-for-profit institutions
- e. Farms
- f. Federal Government
- g. **P** State, Local or Tribal Government

12. Obligation to respond: (mark primary with "P" and all others that apply with "X")
- a. **P** Voluntary
- b. Required to obtain or retain benefits
- c. Mandatory

13. Annual reporting and recordkeeping hour burden:

a. Number of respondents	8,855
b. Total annual responses	8,855
Percentage of these responses collected electronically	100%
c. Total annual hours requested	17,710
d. Current OMB inventory	N/A
e. Difference (+,-)	
f. Explanation of difference:	New Collection
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)	$88,050
c. Total annualized cost requested	0
d. Total annual cost requested	$88,050
e. Current OMB inventory	0
f. Explanation of difference:	New Collection
1. Program change:	0
2. Adjustment:	0

15. Purpose of Information collection: (mark primary with "P" and all others that apply with "X")
- a. **P** Application for benefits
- b. **X** Program evaluation
- c. General purpose statistics
- d. Audit
- e. **X** Program planning or management
- f. Research
- g. **X** Regulatory or compliance

16. Frequency of recordkeeping or reporting: (check all that apply)
- a. Recordkeeping
- b. Third party disclosure
- b. Reporting:
  - 1. ☐ On occasion
  - 2. ☐ Weekly
  - 3. ☐ Monthly
  - 4. ☐ Quarterly
  - 5. ☐ Semi-annually
  - 6. ☒ Annually
  - 7. ☐ Biannually
  - 8. ☐ Other (describe)

17. Statistical methods:
Does this information collection employ statistical methods?
☐ Yes ☒ No

18. Agency contact: (person who can best answer questions regarding the content of this submission)
Name: Lisa Floyd
Phone: 202.402.6275

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[1] 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. Public Housing agencies and project owners interested in participating in the Demonstration are required to submit applications to HUD. 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. Information collected by the applications will allow the Department to determine which applicants have the capacity to successfully meet RAD's mission.

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 Department will use a competitive process and selection criteria to select: (1) properties in different markets and geographic areas; (2) properties managed by public housing agencies of varying sizes; and (3) properties that can leverage other funding sources for recapitalization. The *Initial* Application Period will last 30 calendar days. The Department will take an additional 30 days after the conclusion of the Initial Application Period to review applications to ensure eligibility. Applications will be reviewed by HUD staff to evaluate threshold requirements and to rate and rank applicants in accordance with ranking factors delineated in the Rental Assistance Demonstration implementation notice. Applicants will be rated first by ranking points then by date and time that the application was submitted. The *Ongoing* Application Period begins when the *Initial* period closes. During this period applicants will compete on a first come, first served basis; rating and ranking factors will not apply. All applications submitted during the Ongoing Period will be reviewed in the order in which they are received.

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.**

[1] Public Law 112-55-Consolidated and Further Continuing Appropriations Act, 2012. Signed November 18, 2011

To minimize the public reporting burden, the RAD application forms have been crafted as Microsoft Excel workbooks that have been pre-populated with applicant data maintained by the Department. Examples of this information include the following:

- Executive Director/Owner contact information
- Unit inventory distribution
- Historical operating expenses

To minimize the burden on applicants, HUD has loaded data into a hidden and locked worksheet for every public housing project from already-collected and maintained data sets, including the PIH Information Center (PIC), Operating Subsidy, Capital Subsidy, and Public Housing Financial Assessment Sub-System (FASS-PH). When users enter the Development Number in cell A8 of the "PHA App Form," the "Validation" worksheet pulls data specific to that project from the hidden and locked data worksheet. In turn, certain entries on the "PHA App Form" auto-populate (specifically the lines that do not have grey shading) by referencing the Validation worksheet.

Additionally, the applications are programmed to conduct mathematical computations as needed. Lastly, once completed, the applications automatically feed relevant information to additional required forms (where applicable); these forms include:

- Board Approval Form
- Financing Letter of Intent
- Mixed Income Affidavit
- Choice Mobility Letter of Agreement

The applications can be accessed and submitted through the RAD website.

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.**

HUD's Office of Public and Indian Housing provides funding to Public Housing Agencies (PHAs) to administer assisted housing programs. The Department collects and maintains information for each PHA which allows HUD to monitor and evaluate compliance with program regulations and requirements. This information includes tenant characteristics, building and unit information, and data on operating and capital funding and expenditures. The RAD applications utilize this information and do not solicit any information that the Department has already collected.

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 are required to submit applications to HUD. Failure to collect this information would impede upon the Department's ability to determine eligibility for participation in RAD.

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;**

   None

   *** 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.**

   This information collection was announced in the *Federal Register*, Volume 77, page14029, on March 8, 2012.

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 Public Housing and Mod Rehab RAD application forms reflected in the chart below indicates the amount of *potential* applicants. Individual application forms must be submitted for each Public Housing project seeking conversion under RAD. There are currently approximately 7,500 projects in the Public Housing inventory that could apply for RAD. Similarly, there are 1,355 existing MOD Rehab expiring contracts that could apply to participate in RAD.

The automated form takes approximately two hours to complete.

Type of Reporting	Respondents	Annual Responses	Total Responses	Burden Hours per Response	Total Burden Hours	Salary (per hour)	Total Burden Cost
Public Housing RAD-Application Form	7,500	1	7,500	2	15,000	$40	$600,000
MOD Rehab-RAD Application Form	1,355	1	1,355	2	2,710	$40	$108,400
Total	**8,855**		**8,855**		**17,710**		**$708,400**

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.

The number of respondents for the Public Housing and Mod Rehab RAD application forms reflected in the chart below indicates the amount of *expected* applicants. Individual application forms must be submitted for each Public Housing project seeking conversion under RAD. There are currently approximately 7,500 projects in the Public Housing inventory that could apply for RAD, HUD expects that applications will be received for 10% of the public housing portfolio or 750 Public Housing Applications. Similarly, there are 1,355 existing MOD Rehab expiring contracts that could apply to participate in RAD and HUD expects that 5% of the Mod Rehab portfolio will apply under the first component using the Mod Rehab Application or roughly 68 applications.

The automated form takes approximately three hours to review by a GS-12 Step 1 at an hourly salary of $35.88. The expected cost to the federal government is therefore $88.050. There are no additional costs expected for the processing of these applications or operational costs associated with this data collection.

Type of Reporting	Respondents	Annual Responses	Total Responses	Burden Hours per Response	Total Burden Hours	Salary (per hour)	Total Burden Cost
Public Housing RAD-Application Form	750	1	750	3	2250	$35.88	$80,730
MOD Rehab-RAD Application Form	68	1	68	3	204	$35.88	$7,320
Total	**818**		**818**		**2,454**		**$88,050**

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.