

**Supporting Statements for Paperwork Reduction Act Submission**  
**HUD Housing Assistance Policy Division**  
**OMB 2502-0587**

1. Justification:

The Section 8 Renewal Policy Guide implements Section 524 of the Multifamily Housing Reform and Affordability Act of 1997 (MAHRA) (public law 105-65, enacted on October 27, 1997), which governs how expiring Section 8 project-based assistance contracts are renewed. The Section 8 contract renewal process is an essential component to preserving low income rental housing affordability and availability, while reducing long-term costs of project-based assistance. Project-based assistance contracts are renewed under MAHRA to protect tenants and preserve affordable housing for low and very low-income tenants. The Section 8 contract renewal process will provide housing protection for the low and very low-income tenants living in various United States communities. The Section 8 Renewal Policy Guide sets forth six renewal options from which project Owners may choose when renewing their expiring Section 8 contracts.

- Option One (Mark -Up- To-Market)
- Option Two ( Contract Renewals for Other Projects with Current Rents at or Below Comparable Market Rents)
- Option Three (Referral to the Office of Affordable Housing Preservation (OAHP))
- Option Four (Renewal of Projects Exempted from Office of Affordable Housing Preservation (OAHP))
- Option Five (Renewal of Portfolio Reengineering Demonstration or Preservation Projects)
- Option Six (Opt-Outs)

At 120 days prior to contract expiration, the Owner must submit the Contract Renewal Request Form (HUD-9624) and additional information as described below selecting from among the following six options, depending upon what the project is eligible for. The Owner must certify that neither they, nor any of their affiliates, are suspended or debarred and that the information in the contract renewal request is true and complete.

Option One (Mark -Up- To-Market)

Owners must include a Rent Comparability Study (RCS) (HUD 92273 S8) and a completed Contract Renewal Request Form (HUD 9624) to determine eligibility for Mark-Up-To-Market renewal. Based on the RCS and the Contract Renewal Request Form, Owners must certify on the worksheet section of the HUD-9624 that the Comparable Market Rent Potential is at or above 100 per cent of the published FMR; that the eligibility criteria are waived; or that the Department should use its discretionary authority to mark rents up to market to facilitate a change in ownership to an eligible unaffiliated nonprofit owner. The Owner must also certify that the property does not have low or moderate-income use restrictions that can be eliminated by unilateral action by the Owner. Under Mark-Up-To-Market, Owners must renew the Section 8 contract for a minimum five-year term, subject to annual appropriations.

Option Two – (Contract Renewals for Other Projects with Current Rents at or Below Comparable Market Rents)

Owners must indicate the term they are requesting e.g., (five years, ten years or twenty years) and that the current contract rent potential of the project is less than or equal to the market rent potential of the comparable market rents. Owners must include a RCS, and a completed Contract Renewal Request Form (HUD 9624), if he/she desires to use such non-Section 8 units in the project as a market ceiling instead of performing a traditional RCS. However, if the Owner requests to renew the Section 8 contract using 75 percent of the FMRs as a market rent ceiling, then no RCS needs to be submitted for an Option Two renewal. The Owner must certify that the project rents do not exceed comparable market rents.

Option Three – (Referral to the Office of Affordable Housing Preservation (OAHP))

Project owners of eligible FHA-insured or HUD-held mortgages whose current rent levels exceed market rents must submit, within 120 days of the expiration of their Section 8 renewal contract, a HUD Form 9624 requesting renewal under Option 3. Owners, who make an Option 3 election, must select to renew their contracts under Option 3A, Reduction of Section 8 Rents to Comparable Market Rents without Restructuring (Lite), or an Option 3B, Restructure of the mortgage and reduction of Section 8 rents to Comparable Market Rents (Full). Any Option 3A election must also include a rent comparability study. Owners also certify on the Renewal Worksheet for an Option 3A or Option 3B that the project rents exceed comparable market rents; the project currently has a HUD-insured (or HUD-held) mortgage; neither the owner, or any of their affiliates, are suspended or debarred; and that the information provided is true and correct. Under the Mark-to-

Market Program (M2M), owners may be issued an interim M2M HAP Contract (HUD 9640 or HUD 9641) at the current above market rents for up to one year while their renewal request is being processed. A HUD authorized representative must also sign and date the Option 3 Renewal Worksheet to evidence a binding commitment for purposes of Section 579(b) of the Multifamily Assisted Housing Reform and Affordability Act of 1997.

#### Option Four – (Renewal of Projects Exempted from Office of Affordable Housing Preservation (OAHP))

Certain projects, referred to as “exception projects” are exempted from debt restructuring through OAHP pursuant to 514(b) of MAHRA because they are not an “eligible multifamily housing project” as defined in 512(2) of MAHRA. Such projects are: 1) Section 202/8 projects currently financed under Section 202 of the Housing Act of 1959; 2) Section 515/8 projects financed under Section 515 of the Housing Act of 1949; 3) SRO Mod Rehab projects; and 4) projects for which the primary financing or mortgage insurance was provided through the state or local government. Since rents may be renewed above market for these projects, the Owner does not have to submit a RCS with its Contract Renewal Request form (HUD 9624). An Owner of a project that has FHA mortgage insurance or is HUD-held with rents at or below comparable market rents may renew under Option 4 but they must submit a RCS to claim eligibility. If Owners elect to submit a budget-based rent adjustment request in years other than contract renewal, they must also submit a RCS should the property not have a current RCS.

#### Option Five - (Renewal of Portfolio Reengineering Demonstration or Preservation Projects)

Owners requesting a renewal of a Portfolio Reengineering Demonstration or Preservation Project must indicate on the HUD-9624 whether or not the project has had either a mortgage restructuring, and/or had the rents reduced to market. If the project is a Preservation Project as defined by the Low Income Housing Preservation and Resident Homeownership Act (LIHPRA) or the Emergency Low Income Housing Preservation Homeownership Act (ELIHPA), the Owner should indicate such on the Contract Renewal Request form HUD-9624.

#### Option Six - (Opt-Outs)

On the Contract Renewal Request form (HUD-9624), the Owner must certify that the required written notification was provided to the tenants living in the project. If the Owner has provided the one-year written notification to the tenants and to the Department, and does not intend to renew the contract, but a full year has not elapsed, the Owner should indicate that he/she agrees to execute a contract renewal for a term that will fulfill the entire one year notification requirement. The Owner must certify that the property does not have any effective Use Agreement, and also agree to honor the tenants' right to remain at the property, provided that the Public Housing Agency (PHA) approves a rent equal to the new rent charged for the unit. Owners must include certain information in a notification letter. In order to meet the legal requirements for the notification, examples of the letter is provided in the Section 8 Renewal Policy Guide.

#### Automatic OCAF Process

The purpose for the Amend Rents Auto OCAF enhancements to the integrated Real Estate Management System (iREMS) is to provide Owners of project-based Section 8 housing that have a multi-year Section 8 contract with automatically calculated annual OCAF rent increases where applicable. iREMS electronically notifies HUD Asset Management in advance of a property's annual OCAF rent increase due date; which is the Housing Assistance Payments contract anniversary date. The iREMS system calculates the new OCAF rent increases; the calculated rents are sent to the Owners for acceptance. The Auto-OCAF Letter Option One and Three (HUD - 9626), or Auto-OCAF Letter Option Two and Four (HUD - 9627), and Exhibit A of the Multifamily Housing Assistance Payments Basic Renewal Contract will reflect the new Amend Rents for the property. The Auto-OCAF Letter Option One and Three (HUD - 9626), letter will be mailed to the Owner that is not eligible to submit a budget-based rent increase and Auto-OCAF Letter Option Two and Four (HUD - 9627), will be mailed to the Owner that is eligible to submit a budget-based rent increase. The project Owner must also sign and date the form, validate/certify the debt service and non-Section 8 rent potential, and return to the HUD/CA office. The process utilizes the subject forms by streamlining rent adjustment processing by eliminating duplicate processes and significantly reducing paperwork. Costs related to time and materials have been reduced for HUD/CA and the Owner's/Agent's staff members. Owners/Agents benefit from receiving one of the subject letters as opposed to completing an entire OCAF Worksheet (HUD 9625).

The purpose of the Automatic OCAF Rent Increase is for further automating the process of an OCAF rent increase for section 8 contracts in Amend Rents years. Integrated Real Estate Management System (iREMS) will calculate the new OCAF rent increases and these rents will be sent to the Owners/Agents (O/As). This initiative does not affect section 8 contracts in their year of contract renewal.

Currently, HUD/PBCA staff will send a reminder notice to the O/A advising of the 120 day time period to submit their rent increase. The O/A manually calculates the OCAF rent increase for a project and mails the submission package to the responsible HUD/PBCA staff for processing. Once the package is received by HUD/PBCA, the date the package was received is entered into iREMS. The package is reviewed for completeness and various entries are entered into iREMS.

With the automated feature, HUD/PBCA will have less entries in iREMS and fewer steps to take to complete this Task. The data relating to the OCAF rent increase is already present in iREMS and the new rents will automatically be calculated. O/As that meet certain criteria will no longer be required to submit a package to obtain an annual OCAF rent increase on their Amend Rents date.

Enhancements have been made to our rent increase system, iREMS, and procedural changes for HUD, PBCA staff and O/As responsible for processing these rent increases. Now fully implemented, procedural changes will have occurred to streamline rent increase processing whereby eliminating duplication of rent calculations, and a significant reduction in paper processing.

2. The listed documents are used to establish market rents, amend rents and request renewal of a Section 8 contract under Section 524 of the Multifamily Housing Reform and Affordability Act of 1997 (MAHRA):

**Contract Renewal Request Form (HUD - 9624)** This form is used by the Owner to submit a request for renewal of the project's Section 8 contract. It identifies which option is being requested and contains a worksheet for each option; the one corresponding to the option selected must be completed by the Owner.

**OCAF Rent Adjustment Worksheet (HUD - 9625)** This form must be completed to calculate the amount of the OCAF rent adjustment for projects eligible for this type of rent increase.

**Amend Rents Auto OCAF- Part A (HUD - 9626)** This form is completed electronically by the Contract Administrator and sent to the Owner of a project only eligible for an OCAF rent increase under Option One and Option Three. Owners no longer need to submit HUD – 9624 and HUD – 9625.

**Amend Rents Auto OCAF- Part B (HUD - 9627)** This form is completed electronically by the Contract Administrator and sent to the Owner of a project eligible for a budget-based rent increase or OCAF rent increase under Option Two and Option Four. Owners no longer need to submit HUD – 9624 and HUD – 9625.

**Request to Renew Using Non-Section 8 Units in the Section 8 Project as a Market Rent Ceiling, Appendix 9-6 (HUD-9629)** This form is used when an owner has made a request to HUD to renew the above Section 8 contract(s) under Option 2 (Chapter Four of this Guide), using the non-Section 8 units in that project as a market rent ceiling instead of performing a traditional rent comparability study.

**Request to Renew Using Fair Market Rents (FMRs) as a Market Ceiling, Appendix 9-7a (HUD - 9630)** This form is used by the Owner to request that the HAP contract be renewed under Option Two, using 75 percent of Fair Market Rents (FMRs) as a market rent ceiling instead of performing a rent comparability study.

**Use Agreement (HUD - 9634)** This form is an agreement entered into when an Owner chooses to Mark-up-to-Market where a for-profit Owner is transferring the property to a non-profit Owner or is doing a budget-based rent increase for capital repairs for a non-profit Owner.

**Projects Preparing a Budget-Based Rent Increase, Attachment 5 (HUD - 9635)** This form is to be used by the Owner to calculate the initial Owner equity in the project when preparing a budget-based rent increase.

**Basic Renewal Contract – One Year Term (HUD - 9636)** This form is the Section 8 contract for a one year term. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Basic Renewal Contract –Multi - Year Term (HUD - 9637)** This form is the Section 8 contract for a multi - year term. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Renewal Contract for Mark-Up-To-Market Project (HUD - 9638)** This form is the Section 8 contract to be used when the project rents are being marked-up-to-market. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Housing Assistance Payments Preservation Renewal Contract (HUD - 9639)** This form is the Section 8 contract for a Preservation project. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract. Such payments provide to the Owner rent benefits comparable to those provided under the Plan of Action in accordance with section 524(e)(1) of the MAHRA.

**Interim (Full) Mark-To-Market Renewal Contract (HUD - 9640)** This form is the Section 8 contract used for a project that is eligible for Mark-to-Market where debt restructuring is necessary. The renewal contract constitutes a binding commitment for purposes of Section 579(b) of MAHRA. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Interim (Lite) Mark-To-Market Renewal Contract (HUD - 9641)** This form is the Section 8 contract used for a project that is eligible for Mark-to –Market where the project will be viable without debt restructuring. The renewal contract constitutes a binding commitment for purposes of Section 579(b) of MAHRA. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Full Mark-To-Market Renewal Contract (HUD - 9642)** This form is the Section 8 contract used for a project where the debt has been restructured. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**Watch List Renewal Contract (HUD - 9643)** This form is the Section 8 contract used for a project that initially entered into an interim contract (HUD -9641 or HUD-9642) but later elects not to restructure the debt. During the term of the renewal contract, the Contract Administrator shall make housing assistance payments to the Owner in accordance with the provisions of the renewal contract.

**[Project Based Assistance Payments Amendment Contract Moderate Rehabilitation \(HUD-9644\)](#)** This form is an agreement to enter into Housing Assistance Payments Contract and a Housing Assistance Payments Contract with the Owner. Upon satisfactory completion of the rehabilitation in accordance with requirements specified in the Agreement, the PHA will enter into a Housing Assistance Payments Contract with the Owner.

**Consent to Assignment of HAP Contract for Freddie Mac Financing (HUD 9648A)** This form is used when an owner has advised the contract administrator (HUD or a public housing agency (PHA) acting as contract administrator under an annual contributions contract (ACC) with HUD) that the owner wants to assign the owner’s interest in the HAP Contract to the lender, as security for a loan by the lender to the owner, and that the lender will assign the loan to Freddie Mac.

**Consent to Assignment of HAP Contract as Security to FNMA as Security for FNMA Credit Enhancement (HUD-9648D)** This form is used when an owner has advised the contract administrator that the owner wants to grant the FNMA a security interest in the HAP Contract, as security for the obligations of the owner to FNMA on account of FNMA’s credit enhancement of a loan to the owner.

**Consent to Assignment of HAP Contract as Security for Financing (HUD-9649)** This form is used when an owner has advised the contract administrator that the owner wants to grant the lender a security interest in the HAP Contract, as security for a loan by the lender to the owner with respect to the project.

**Consent to Assignment of HAP Contract as Security for FNMA Financing (HUD-9651)** This form is used when an owner has advised HUD that the owner wants to assign the owner's interest in the HAP Contract to the lender, as security for a loan by the lender to the owner, and that the lender will assign the loan to FNMA

3. The information is submitted individually by project Owners on an annual and case-by-case basis. HUD has considered the use of improved electronic technology in collecting information; however, there are no funds to upgrade the electronic submission system. Presently the HUD Office's staff enters and updates the Owner's contract information into the HUD integrated Real Estate Management System (iREMS).

4. The collection will be used under the authority of 524 MAHRA requirements; which require some parts of the collection to be submitted by the Owner on an annual basis, (e.g., requests for an annual rent increase) and other parts to be submitted prior to contract expiration which could be annually or at other times if the contract is a multi-year contract.

5. This collection involves small businesses, which are small profit and non-profit organizations.

6. The Section 8 Program requirement, under the authority of MAHRA, requires the collection to be used on an annual basis for rent increases and one year contracts and at other times when the contract is a multi-year contract. The iREMS system is for internal HUD usage; the collection data, rent calculation for OCAF and contract renewal will be extracted from the iREMS system by HUD/Contract Administrator and mailed to the Owner for review and signature.

7. There are no special circumstances relating to this collection.

8. In accordance with 5 CFR 1320.8(d), the Agency's notice soliciting public comments, was announced in the Federal Register on August 8, 2012 (Volume 77, No. 153, Page 47430). (No comments were received)

Federal Register/Consultation outside the Agency

The following Code of Federal Regulations:

Section 524 of MAHRA

The Agency's notice soliciting both regulations to public for comments.

9. Payment or Gift

No payment or gift was provided to the respondents.

10. Confidentiality

No assurance of confidentiality

11. Questions of Sensitive Nature

No questions of a sensitive nature included in this collection.

12. Estimates of Hours Burden of the Collection of Information (Private)

Annual Burden Estimate:

Information Collection		Number of Respondents	Total Annual Responses	Burden Hours per Response	Total Annual Burden Hrs	Hourly Cost	Total Annual Cost
1. Contract Renewal Request Form (HUD-9624)	E	11428	11428	1	11,428	\$31.77	363,068
2. OCAF Rent Adjustment Worksheet (HUD-9625)	E	7957	7957	1	7,957	\$31.77	252,794
3. Amend Rents Auto OCAF Part A (HUD- 9626)	E	419	419	.50	210	\$31.77	6,672
4. Amend Rents Auto OCAF Part B (HUD- 9627)	E	1801	1801	.50	901	31.77	28,625
5. Request to Renew Using Non-Section 8 Units in the Section 8 Project as a Market Rent Ceiling (HUD-9629)	E	10	10	.50	5.00	\$50.00	250
6. Request to Renew Using FMR's as Market Ceiling (HUD-9630)	E	88	88	.50	44.00	\$50.00	2,200
7. Use Agreement (HUD-9634)		55	55	1	55	\$31.77	1,747
8. Project Preparing a Budget Based Rent Increase (HUD - 9635)	E	1697	1697	1.5	2,546	\$31.77	80,886
9. Basic Renew Contract – One Year Term (HUD - 9636)		892	892	.75	669	\$31.77	21,254
10. Basic Renew Contract –Multi - Year Term (HUD -9637)		69	69	.75	52	\$31.77	1,652
11. Renewal Contract for Mark-Up-To-Market Project (HUD - 9638)		169	169	.75	127	\$31.77	4,035
12. Housing Assistance Payments Preservation Renewal Contract (HUD-9639)		213	213	.75	160	\$31.77	5,083
13. Interim (Full) Mark-To-Market Renewal Contract (HUD – 9640)		53	53	.75	40	\$31.77	1,271
14. Interim (Lite) Mark-To-Market Renewal Contract (HUD - 9641)		68	68	.75	51.00	\$31.77	1,620
15. Full Mark-To-Market Renewal Contract (HUD - 9642)		63	63	.75	47	\$31.77	1,493
16. Watch List Renewal Contract (HUD - 9643)		117	117	.75	88	\$31.77	2,796
17. <a href="#">Project Based Assistance Payments</a> Amendment Contract Moderate Rehabilitation (HUD-9644)		25	25	1	25	\$31.77	794
18. Consent to Assignment of HAP Contract for Freddie Mac Financing (HUD 9648A)		50	50	1	50	\$31.77	1,589
19. Consent to Assignment of HAP Contract as Security to FNMA as Security for FNMA Credit Enhancement (HUD-9648D)		50	50	1	50	\$31.77	1,589
20. Consent to Assignment of HAP Contract as Security for Financing (HUD-9649)		50	50	1	50	\$31.77	1,589

<b>21. Consent to Assignment of HAP Contract as Security for FNMA Financing (HUD-9651)</b>		50	50	1	50	\$31.77	1,589
<b>Totals</b>		<b>25,324</b>	<b>25,324</b>		<b>24,605</b>		<b>780,849</b>

Hourly cost is based on an estimate of the Owner or Owner's staff to prepare the necessary documents for requesting a Section 8 contract renewal or a rent increase. The Owner/Management Agent cost is reflective of an hourly rate for a federal employee equivalent to a GS-12 grade level, step 4. The Attorney and Appraiser cost are based on private entity fees, as reflected in the grid below. **We are all for electronic submission. But the funds are not available to put the system in place. We do not give property owners access to iREMS. There could be a chance of system corruption if we do that. Individuals could actually change MOR scores and findings, etc.**

Estimate of Cost to Respondents:

The estimated cost is based on the amount of time spent to complete the contract renewal form and estimation of cost to the Owner, which is reflected in the expense to the project: The Owner cost includes the appraiser and an attorney fee; the appraiser will charge for doing the rent comparability study and the attorney will charge for the time it takes to review and synchronize the contract renewal documents. The cost to the Owner will include printing the contract renewal forms.

**Operational Cost Total Time Hourly Rate –Per Form (Cost to Private)**

Position	Frequency Responses	Hour per Responses	Hourly Rate	Annual Hourly Rate
Owner/Mgmt Agents	1	1	\$31.77	\$31.77
Attorney	1	1	\$75.00	\$75.00
Appraiser	1	1	\$50.00	\$50.00
<b>Total Annual</b>				\$156.77

Additional Operation Cost to Private:

Other Cost: Postage  $\$3.00 \times 25,422$   
Total Postage \$76,266

Printing Cost per each form (\$1.25)  $\$1.25 \times 25,422$   
Total Printing \$31,778

Total Postage and Printing Cost to Private: \$107,627

Total Postage **\$76,266**  
Total Printing \$31,778  
Total Annual Cost **\$780,849**  
Total Postage, Printing and Annual Cost to Private: \$887,893

13. There are no additional costs to respondents.

14. Annualized Cost to the Federal Government  
Annual Burden Estimate: Annual Burden Estimate:

Information Collection		Number of Respondents	Total Annual Responses	Burden Hours per Response	Total Annual Burden Hrs	Hourly Cost	Total Annual Cost
1. Contract Renewal Request Form (HUD-9624)	E	11428	11428	1	11,428	\$31.77	363,068
2. OCAF Rent Adjustment Worksheet (HUD-9625)	E	7957	7957	1	7,957	\$31.77	252,794
3. Amend Rents Auto OCAF Part A (HUD- 9626)	E	419	419	.50	210	\$31.77	6,672
4. Amend Rents Auto OCAF Part B (HUD- 9627)	E	1801	1801	.50	901	\$31.77	28,625
5. Request to Renew Using Non-Section 8 Units in the Section 8 Project as a Market Rent Ceiling (HUD-9629)	E	10	10	2	20.00	\$37.78	756
6. Request to Renew Using FMR's as Market Ceiling (HUD-9630)	E	88	88	2	176	\$37.78	6,649
12. Use Agreement (HUD-9634)		55	55	1	55	\$31.77	1,747
13. Project Preparing a Budget Based Rent Increase (HUD - 9635)	E	1697	1697	1.5	2,546	\$31.77	80,886
14. Basic Renew Contract – One Year Term (HUD - 9636)		892	892	.75	669	\$31.77	21,254
15. Basic Renew Contract –Multi - Year Term (HUD -9637)		69	69	.75	52	\$31.77	1,652
16. Renewal Contract for Mark-Up-To-Market Project (HUD - 9638)		169	169	.75	127	\$31.77	4,035
17. Housing Assistance Payments Preservation Renewal Contract (HUD-9639)		213	213	.75	160	\$31.77	5,083
18. Interim (Full) Mark-To-Market Renewal Contract (HUD – 9640)		53	53	.75	40	\$31.77	1,271
19. Interim (Lite) Mark-To-Market Renewal Contract (HUD - 9641)		68	68	.75	51.00	\$31.77	1,620
20. Full Mark-To-Market Renewal Contract (HUD - 9642)		63	63	.75	47	\$31.77	1,493
21. Watch List Renewal Contract (HUD - 9643)		117	117	.75	88	\$31.77	2,796
22. <a href="#">Project Based Assistance Payments</a> Amendment Contract Moderate Rehabilitation (HUD-9644)		25	25	1	25	\$31.77	794
23. Consent to Assignment of HAP Contract for Freddie Mac Financing (HUD 9648A)		50	50	1	50	\$31.77	1,589
24. Consent to Assignment of HAP Contract as Security to FNMA as Security for FNMA Credit Enhancement (HUD-9648D)		50	50	1	50	\$31.77	1,589
25. Consent to Assignment of HAP Contract as Security for		50	50	1	50		1,589



Financing (HUD-9649)					\$31.77	
23. Consent to Assignment of HAP Contract as Security for FNMA Financing (HUD-9651)	50	50	1	50	\$31.77	1,589
<b>Totals</b>	<b>25,324</b>	<b>25,324</b>		<b>24,752</b>		<b>787,551</b>

The majority of the work involves reviewing of the Owner's contract submission and/ rent adjustment and updating the HUD systems with the contract data information. The HUD staff will process the funding and release funds after approval funding in LOCCS is reviewed. PBCA staff vouchers for the funds through a HUD approved process. The Treasury Department issues funds/checks through the direct deposit process. The cost is reflective of the hourly rates for a federal employee equivalent to a GS-12 step 4 and HUD Appraiser equivalent to a GS-13 step 4 grade level.

**Direct Personnel Cost Direct Personnel Cost (Cost to Federal Government)**

	Frequency Responses	Hour per Responses	Hourly Rate	Annual Hourly Rate
Asset Management Staff	1	1	\$31.77	\$31.77
HUD Appraiser	1	4	\$37.78	\$151.00
Clerical Assistant	1	.50	\$15.59	\$16.00
<b>Total Staff Time</b>				Total Cost: \$198.77

Information Collection	Number of Responses	Hours per Response	Total Annual Hours	Hourly Cost	Total Annual Cost
HUD-9624 and Other Documents	25,226	1	25,226	\$31.77	\$801,430
RCS Associated Documents	98	2	196	\$37.78	\$7,405
<b>Totals Documents</b>	25,324		25,422		0

Operation Cost to Federal Government:

Other Cost: Postage	\$3.00 x 25,422
Total Postage	\$76,266
Total Annual Cost	\$808,835
<u>Total Postage and Annual Cost to the Federal Government:</u>	<u>\$885,101</u>

Estimated hourly cost is based on the annual salary of a GS-12 step 4 (Asset Management Staff) and GS-13 step 4 (Appraiser) for reviewing the information.

- This is a revision of a currently approved collection resulting in a program change. The new process utilizing the subject forms will streamline rent increase processing by eliminating duplicate processes and significantly reducing paperwork. Costs related to time and materials will continue to be reduced for HUD/CA and the Owner's/Agent's staff members since full implementation occurred in March 2012. Owners/Agents are benefiting from receiving one of the subject letters. Properties that benefit from the new Auto OCAF process will be properties currently in a multi-term HAP contract that is not in a renewal year.

HUD is eliminating 13 forms from this collection of information after further evaluation of the program identified that data from these forms were being duplicated and that some data could be retrieved from, and are covered under, other collections. HUD is enhancing the integrated Real Estate Management System (iREMS) to provide owners of project-based Section 8 housing that have multi-year Section 8 contracts with automatically calculated annual Operating Cost Adjustment Factors (OCAF) rent

increases, where applicable. Finally, HUD is modifying three forms and combining system data to further reduce burden.

16. The results of this collection will not be published.

17. HUD is not requesting approval to avoid displaying the expiration date.

18. No exceptions to the certification statement identified in Item #19 on form OMB 83-I, "Certification for Paperwork Reduction Act Submissions."

B. Collections of Information Employing Statistical Methods

This information collection does not employ statistical methods.