**Supporting Statement for Paperwork Reduction Act Submission**

**Title:** Fiscal Year 2012 Transformation Initiative:

Rental Assistance Demonstration Small Research Grant Program

**OMB Control #:** 2528-XXXX

**A. Justification**

**A1. Circumstances that make the collection of information necessary**

HUD’s Rental Assistance Demonstration (RAD) is a new initiative designed to preserve and improve affordable housing by converting public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance contracts. This conversion is expected to help Public Housing Agencies (PHAs) and property owners to access additional capital in the form of private debt and equity to address immediate and long-term capital needs. RAD is also designed to test the extent to which residents have increased housing choices after the conversion, and the overall impact on the subject properties.

RAD was authorized by the Consolidated and Further Continuing Appropriations Act, 2012, (Pub. L. 112-55, signed November 18, 2011). RAD allows up to 60,000 units in projects funded under the public housing and Mod Rehab programs to convert either to long-term Section 8 project-based rental assistance (PBRA) contracts or project-based vouchers (PBVs). The RAD statute requires that HUD assess and publish findings regarding to the impact of RAD public housing conversions on:

(1) the preservation and improvement of the former public housing units,

(2) the amount of private capital leveraged as a result of such conversion, and

(3) the effect of such conversion on residents.

This NOFA makes available $400,000 to support small research grants designed to produce policy-relevant knowledge about the impact of RAD public housing conversions. The funds will be made available in the form of cooperative agreements. Awardees will be selected through a competitive process, announced through a Notice of Funding Availability (NOFA). Applicants are required to submit certain information as part of their application for assistance so that HUD may select good research projects for funding. Awardees are required to prepare status reports so that HUD can monitor their progress in completion of their research.

**A2. Purpose of the Information Collection**

The information collected will enable HUD to select awardees under a competitive process. Without this information, it would be impossible to determine which applications were eligible for award. The information will also enable the Government Technical Representative (GTR) to monitor each awardee’s performance to determine if funds are being spent in accord with program goals.

**A3. Automated, Electronic, Mechanical Data Collection of Information**

Applicants will submit application packages through grants.gov. This web-based interface makes it easier for applicants to submit in a timely manner and avoids unnecessary postage and paper. Status reports will be submitted via e-mail, which similarly eases the administrative burden of reporting.

**A4. Identification of Duplication**

There is no other source of the required information.

**A5. Impact on Small Businesses or Other Small Entities**

The program does not impact small businesses or other small entities.

**A6. Consequences if the Information is Not Collected / Obstacles to Burden Reduction**

If the information is not collected, HUD will not be able to select awardees for the research grants (cooperative agreements). If the status report information is not collected, HUD will have no way to ensure the appropriate spending of Federal dollars.

**A7. Special Circumstances**

None

**A8. Federal Register Notice**

The Notice is attached. It is FR-5609-N-12.

**A9. Gifts or Payment to Respondents**

None

**A10.**

None

**A11.**

None

**A12. Hour Burden Estimate**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Number of respondents** | **Total annual responses** | **Hours per response** | **Total hours** |
| **Applicants** | 10 | 10 | 60 | 600 |
| **Quarterly Reports** | 2 | 8 | 6 | 48 |
| **Final Reports** | 2 | 2 | 2 | 4 |
| **Recordkeeping** | 2 | 2 | 4 | 8 |
| **Total** | **N/A** | **20** | **N/A** | **660** |

Note: Recordkeeping is not counted as a response by ROCIS, but the burden hours are added in to the total. Thus, it is not possible to add up the column “Hours per response” to get a meaningful total. The number of projected respondents is 10, but the number or projected awards is 2, so it’s not possible to add up the column “Number of respondents” to get a meaningful total.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Breakdown of estimated burden hours for proposal + each required form** | | | | |
|  | **Number of respondents** | **Total annual responses** | **Hours per response** | **Total hours** |
| **Applicants** | 10 | 10 | 60 | 600 |
| SF-424 |  |  | 1.1 |  |
| SF-424 Supp |  |  | 0.083 |  |
| HUD424\_CB |  |  | 2.6 |  |
| SFLLL\_Disclosure of Lobbying |  |  | 0.5 |  |
| HUD2880 |  |  | 2.0 |  |
| HUD2993 |  |  | 0.1 |  |
| HUD96011 |  |  | 0.083 |  |
| *Subtotal for forms* |  |  |  |  |
| Research Proposal (not a form) |  |  | 53.54 |  |
| *Total (Proposal + Forms)* |  |  | *60.00* |  |

**Costs to Applicants.** Estimate assumes each applicant spends about 60 person-hours to complete the application. Most of this time is invested by a professor or other senior staff person. Average hourly rate is assumed to be $50. Each applicant would incur costs equal to 60 hours x $50 = $3,000. Total costs to applicants, assuming 10 applicants, will equal 10 x $3,000 = $30,000.

**Costs to Awardees.** Estimate assumes each awardee will spend about 4 hours per year maintaining records and about 26 hours per year preparing status reports. Clerical and senior staff or faculty will share this burden. Average hourly rate is assumed to be $30. Each applicant would incur annual costs for record keeping and monitoring of $30 x 30 = $900. Total costs to all awardees is therefore estimated to be 2 x $900 = $1,800.

**A13. Costs to Respondents Resulting from Collection of Information**

None.

**A14. Annual Cost to the Federal Government**

**Pre-Award Costs.** Approximately 10 applications are expected. Each application undergoes threshold review by two people. If the review is conducted by staff at the GS-14 level, assume hourly rate of $45, so that the cost for threshold review = 10 x 2 x $45 = $900. Approximately 6 applications are expected to meet threshold criteria and these 6 will receive technical evaluation review. Technical evaluation takes about 6 hours/application on average. Assuming that 3 people, with an average staff level of GS-14 conduct the technical evaluation and review, the cost for technical evaluation review = 6 x 3 x 6 x $45 = $4,860. Therefore pre-award costs to the government equal $900 + $4,860 = $5,760.

**Post-Award Costs.** Approximately 2 grants will be awarded. Monitoring a grant takes about 48 hours per year. Assuming a GS-14 manages the grants, the cost equals 48 x 2 x $45 = $4,320.

**A15.**

None

**A16.**

Not applicable

**A17.**

Not applicable

**A18.**

None

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

No statistical methods will be used.