

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 of 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	
<i>Subtotal for forms</i>				
Research Proposal (not a form)			53.54	
<i>Total (Proposal + Forms)</i>			<i>60.00</i>	

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 \times 2 \times \$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 = $6 \times 3 \times 6 \times \$45 = \$4,860$. 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 $48 \times 2 \times \$45 = \$4,320$.

A15.

None

A16.

Not applicable

A17.

Not applicable

A18.

None

Part B. Collections of Information Employing Statistical Methods

No statistical methods will be used.